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11 June 1984

## **Southeast Asia Report**



**FOREIGN BROADCAST INFORMATION SERVICE**

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11 June 1984

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# CPI FALLS: GOVERNMENT, UNIONS RESPOND

## 'Left-Wing Unions' Plan Wage Campaign

Sydney THE SYDNEY MORNING HERALD in English 2 May 84 p 1

[Article by Jack Taylor]

[Text]

Some left-wing unions are already planning to try later this year to recover some of the wage rises foregone during the 1982-83 wage pause, in a campaign which could pose a serious threat to the prices and incomes accord.

This became clear following yesterday's announcement that the consumer price index fell 0.4 per cent during the March quarter, a figure some unions consider to be false and calculated only to depress real wage levels.

The fall was welcomed by the mainstream of the union movement, including the ACTU and the NSW Labor Council. Both, however, cautioned that tax cuts were now crucial to preserving industrial harmony. Suspicion that the tax cuts may not be big enough is motivating the left-wing unions to move on the wages front.

The CPI for the March quarter, added to that for the June quarter, which is also expected to be very low, will form the basis for a wage increase to be sought by the ACTU in the next wage case due about October. Knowing that this will be a small rise, the Government is as good as committed to an income tax cut, aimed particularly at low and middle income earners.

However, 18 left-wing unions are also committed to launching a campaign "at the appropriate time" to start recovering the 9.1 per cent lost during the wage freeze.

The big Building Workers Industrial Union made it clear yesterday that it is planning to lead the way and that it considers the appropriate time is next October.

The prices and incomes accord promises this catch-up "over time", a phrase usually taken to mean when the economy has fully recovered.

"We want tax cuts which were promised in the accord and we want a restoration of the real value of wages which was also promised in the accord," the federal secretary of the BWIU, Mr Pat Clancy, said yesterday.

"The accord provides for this restoration of the real value of wages 'over time'. The accord was signed in February last year and by October that will be 18 months which we consider to be a fair amount of time.

"We will be saying to the ACTU directly that it is time for the first instalment - which we think should be 3.1 per cent - leaving 6 per cent still dragging from Fraser's wage freeze period," Mr Clancy said.

He did not accept the latest CPI movement as a true figure and, as far as BWIU was concerned, it was not a question of tax cuts or catch up as compensation - "we want both."

The ACTU's wages campaign committee is expected to meet within the next week to define precisely the submission it will put to the Government. There is little doubt it will point out that substantial tax reductions are considered necessary for low-income workers.

One of its members, Mr Laurie Carmichael, an architect of the accord and one of its staunchest defenders, said the extent of the tax cuts would determine whether the unions would move generally for some catch-up.



Mr Carmichael agreed that 18 unions – including his own, the Amalgamated Metals Foundry and Shipwrights Union – had agreed to push for catch-up “but there has to be agreement about when to move and be successful without blowing the accord apart.”

He added: “We wanted to make sure that what we do in relation to catch-up does not damage the accord but occurs at a time, and in a form, able to be supported generally.”

The president of the ACTU, Mr Cliff Dolan, said that a measure of “catch-up” could be provided by a restructuring of tax scales and the introduction of tax indexation which would mean the real value of wages moving towards the position of 1981.

“Wage and salary earners are better off under these sorts of arrangements than to have substantial wage increases immediately eroded by taxation and increased prices.”

### Government Response

Sydney THE SYDNEY MORNING HERALD in English 3 May 84 p 1

[Article by John Short]

[Text]

The Industrial Relations Minister, Mr Willis, yesterday warned unions planning pay claims outside wage indexation that their actions could force the Government to forego income tax cuts in the next Budget.

Later, in Federal Parliament, Mr Willis said that he was confident that the threatened wage campaign would not eventuate because the ACTU would pull the recalcitrant unions into line. The Minister is understood to have received the assurance from the ACTU Secretary, Mr Bill Kelty, yesterday.

The Prime Minister, Mr Hawke, also used Question Time in Parliament yesterday to give an iron-clad guarantee that the Government would give significant tax cuts in the August Budget to offset the small pay rise expected from the next National Wage Case in order to hold the ALP-ACTU accord together.

And, in a separate move, the

acting Minister for Social Security, Dr Blewett, confirmed that the Government was looking at making a one-off increase in aged pensions in the Budget because of the artificial reduction in the Consumer Price Index in the March and June 1984 quarters caused by the introduction of Medicare.

The pay rise campaign outside wage indexation has been threatened by the Building Workers' Industrial Union and the Amalgamated Metals Foundry and Shipwrights' Union following the release of the CPI for the March quarter on Tuesday.

The unions' concern is that the total of the CPI increases for the March and June quarters will be below 1 per cent – leading to only a marginal increase in wages at the next national wage case expected in September.

Mr Hawke confirmed in Parliament yesterday that the next national wage rise would be below 1 per cent, adding: “What that means ... is that Australia is

looking at a period of 12 months of virtually no wage movement as a result of the operation of the (wage) indexation system ...”

Speaking on ABC radio yesterday, the Industrial Relations Minister said: “If it was clear that there was going to be demand for wage increases across a wide scale outside the indexation system, then that would certainly be something that we would have to take into account in contemplating the tax cuts that we could give in the Budget.”

“I don't think that it is at all feasible that, if it was clear that there was going to be widespread wage increases outside wage indexation, we could then contemplate giving the tax cuts that would otherwise be in contemplation.”

The ACTU's wages campaign committee will meet next Friday to try to head off the growing threat to the prices and incomes accord from unions which want to mount a big pay campaign later this year.



## Government Figures Challenged

Sydney THE SYDNEY MORNING HERALD in English 2 May 84 p 1

[Article by John Short]

[Text]

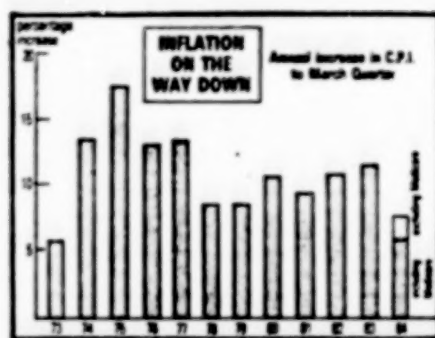
CANBERRA: The 0.4 per cent reduction in the Consumer Price Index in the March 1984 quarter – the first fall in the CPI since 1963 – is expected to pull the next six monthly National Wage Case pay rise below 1 per cent.

The favourable result was brought about by the introduction of Medicare in February which cut 1.6 per cent off the latest CPI result. Medicare is expected to cut another 0.8 per cent off the index in the June quarter.

Government sources yesterday said that preliminary calculations based on the latest CPI result strongly indicated that the increase in the index over both these quarters should be below 1 per cent, which, because of wage indexation, would only produce a minimal National Wage rise in September.

The Acting Treasurer, Mr Hurford, said that the gap between the nation's inflation rate and that of our major trading partners had been significantly narrowed.

But the Opposition attacked the Government's claims, saying the latest information supplied by Treasury showed that the



inflation rate for Australia's major trading partners in the year to February 1984 was only 4.2 per cent.

The Liberal Leader, Mr Peacock, predicted that Australia's underlying inflation rate would, in fact, remain above that of our major international trading partners.

And both Mr Peacock and his Deputy, Mr Howard, pointed out that forecasts prepared by the Treasury in the lead-up to the next Budget predicted that Australia's underlying inflation rate would increase to 9 per cent next financial year. "Nothing in today's CPI figure undermines or disturbs that forecast", Mr Howard said.

The peak employer group, the Confederation of Australian Industry, yesterday warned that the latest CPI result meant that Australia was still uncompetitive relative to the position of its major trading partners.

# VICTORIA AID TO 'MASS ORGANIZATIONS,' COMMUNIST SPLIT ANALYZED

Canberra THE AUSTRALIAN in English 1 May 84 p 9

[Commentary by B. A. Santamaria under the rubric "A Personal Viewpoint": "Communists Play Follow the Leader"]

[Text]

THE unusual news that 23 out of the 32 members of the central committee of the Victorian branch of the Communist Party of Australia have resigned from the party draws its importance from the fact that they comprised almost the entire communist trade union leadership in that State.

The Communist Party's Queensland branch is reported to be in a similar state of decomposition, although the NSW branch states its intention of soldiering on.

This unusual news might be regarded as a calculated exercise in deception, like the abolition of the various Communist Internationals 40 years ago.

The more likely alternative, however, is that it marks the decision of a group of ideological Marxists controlling significant Victorian unions to follow their erstwhile colleague, John Halfpenny, into the ALP. Their purpose would be to consolidate that party as an apparently broadly based party of the Left, in which, however, the only acceptable intellectual current will be the second-rate pseudo-Marxism of the radical teachers, lawyers, social workers, who today run the party machine, and are increasingly occupying the parliamentary seats.

Their pathfinder, Mr John Halfpenny, had to wait a decent two years after leaving the CPA before he was given ALP membership, although if he gave any sign of a change in his Marxist convictions, it is not on record.

The former central commit-

tee members may have to wait as well, but the eventual result is certain. They will encounter none of the obstacles which beset the leaders of the celebrated "four right-wing unions", in their attempts to join the ALP.

If one must look for a model for the ALP today, it is the Greek socialist party, Pasok, the creation of the present Prime Minister of Greece, Andreas Papandreu. This too was preceded by a split in the Greek Communist Party. Under Papandreu, the Greek Socialist Party is violently anti-American, anti-NATO and pro-Soviet.

## Unpredictable

Greece remains in NATO and harbors American bases only because the opposite policy would lead the Americans to rely entirely on Turkey with unpredictable results for those who rule Greece today.

The decision of the former Victorian Communist leadership is, possibly, also influenced by a desire to consolidate the practical, financial support given by the Cain Government for the so-called "mass organisations" - the peace movement and the militant environment, feminist, educational and Aboriginal rights movements - a numeri-

cally strong base for a party influenced by the Socialist Left.

Public money flowing to these bodies has now reached levels hitherto unparalleled.

The most obvious is the peace movement. The Congress for International Co-operation and Disarmament received \$66,000 through the Victorian Government. The CICD is an adjunct of the communist-led Australian Peace Council, which is an affiliate of the Soviet-controlled World Peace Council. The organisation, "Pax Christi", headed by Australia's leading anti-nuclear protagonist, Dr Joseph Camilleri, which may conceivably have a few dozen subscription-paying members, has been given \$71,000 for its "peace education" program: the difference between "peace education" and "hard Left" propaganda would be interesting to explore.

Action for World Development received \$52,000, perhaps to make up for the decision of the Catholic bishops to cease financing it.

The Victorian Association of Peace Studies followed closely with \$45,000, apparently for work in schools and universities.

In the field of environmental action, Friends of the Earth has received \$146,000 from the Cain Government to help it publish its glossy magazine, *Chain Reaction*, and for its Food Justice Centre - whatever that name may mean.

The Environment Studies Association received \$23,000, and the Tasmanian Wilder-

ness Society \$67,000 for "community services".

In the field of radio, the anti-semitic radio station, 3CR, which is associated with Mr Bill Hartley, who last week seemed to support the indefensible action of the Libyan Embassy in London, is receiving \$70,000 by way of direct grant.

The radical university radio station, 3RRR-FM, was given \$137,000.

Those donations of public money to extreme Left radio activities total another \$250,000.

## Homosexuals

The Italian communist organisation, Pulef, received a subsidy of \$4,000. Since there is no show without Punch, Mr Halfpenny's AMFSU (whose federal income amounts to a mere \$13 million annually) received \$40,000.

In this new era of universal benevolence, not even homosexuals are excluded. The Gay Publication Co-operative was made even more gay by the reception of \$71,000, plus another \$53,000 given to its associated organisation Correct Line Graphics. A total of \$123,000 for the practitioners of peculiar sex must make those whose sexual "preferences" - to use the current jargon - run in more orthodox directions feel that they are being discriminated against.

When one examines the direction of these donations, however, one wonders what principles Commonwealth and state auditors-general apply to the audit of public funds.

OPPOSITION COALITION FOREIGN POLICY REPORTED, ANALYZED

Brisbane THE COURIER MAIL in English 1 May 84 p 1

[Article by Wallace Brown: "Swing to Right in Policy by Liberals"]

[Text] THE Federal Liberal-National Opposition yesterday began its Charge of the Right Brigade in foreign policy.

The coalition foreign policy, announced by spokesman Mr Michael MacKellar, moves further to the Right of the spectrum than former Prime Minister Malcolm Fraser would have taken it.

The United Nations comes in to sharp attack, and the Opposition policy makes no formal reference to South Africa or apartheid.

It refers only to a constructive role of the Commonwealth to promote progress in "regional problems such as Southern Africa".

But Mr MacKellar told a news conference the coalition's abhorrence of apartheid was "absolute," and the difference between the Government and the Opposition was this question of constructive approach.

In a separate statement, he said: "This contrasts with the contradiction in Labor's policy of supporting the African National Congress office in Australia, an organisation which carries out car-bombing of civilians in South Africa.

"It also contrasts with Labor's decision to refuse entry of South African Parliamentarians to Australia, thereby preventing South African and Australian Parliamentarians from having talks in Australia on the problems of Southern Africa."

On the United Nations, the coalition says: "We are acutely aware of the very limited success which has been achieved since 1945 in the field of multilateral diplomacy.

"In particular, the UN is increasingly becoming a forum for extremist propaganda."

The Liberal-National coalition says it would try to work towards international solutions of economic and disarmament problems within the multilateral framework of the UN.

But the policy adds: "Because the UN has recently proved to be too politicised and fractionalised to achieve sensible progress, we will reserve the right to seek solutions with like-minded nations outside its auspices, particularly at the regional level."

With the policy battlelines now being drawn between the Hawke Government and the Peacock-Sinclair Opposition, these are the main points in the Liberal-National manifesto:

--The external affairs power would not be used to expand the power of the Federal Government at the expense of the states.

--In government, the coalition would be committed to joint defence facilities under the ANZUS Treaty (involving the United States and New Zealand) and the so-called Five-Power Defence Arrangements (involving Singapore, Malaysia, New Zealand and Britain).

--The coalition would reject any calls for unilateral nuclear or conventional disarmament, because "Australia's disarmament policy cannot be separated from our total commitment to the western alliance".

--There would be joint exercises in the Pacific and Indian Oceans.

--There would be access for allies to Australian ports, "unfettered by limitations in dry-docking and by proposals for a nuclear-free zone".

--There would be a coalition support for Association of South-East Asian Nations diplomacy in Cambodia, "in contrast to Labor's refusal to co-sponsor ASEAN's Cambodian resolution in the UN".

--And there would be no Australian aid for Vietnam pending international settlement on Cambodia, "contrasting with Labor's failure to condemn Vietnam's invasion of Cambodia and continuing agitation by the ALP Left to resume Vietnam aid".

One of the Opposition's main advisers on its foreign policy formulation has been Mr Allan Griffith, former senior official in the Prime Minister's Department and Mr Fraser's special foreign policy guru.

CSO: 4200/784

PRC ROLL IN CANBERRA ARMS EXHIBITION REPORTED

Canberra THE AUSTRALIAN in English 2 May 84 p 3

[Article by John Spiers]

[Text]

CHINA will launch a drive to become an international armaments supplier to the Third World at an exhibition in Canberra next week - as well as seeking co-operation with Australian manufacturers of defence equipment.

A team of 29 Chinese technicians, engineers and interpreters attending the Ausdes defence and security exhibition, which opens in Canberra on Tuesday, will later visit Australian companies in the weaponry, electronics, aerospace, machinery and shipbuilding fields.

During almost two weeks visiting defence manufacturers, they will describe Chinese technological achievements and discuss possible technology exchanges and joint ventures in a number of areas.

China's prominent participation in the privately organised exhibition has been something of an embarrassment to the Australian Government which is very sensitive about becoming involved in arms dealing - particularly with the Third World.

China has taken the largest display space at the exhibition and will try to interest international buyers in a wide range of military equipment ranging from ship-to-sea missiles and radar equipment to radios and military vehicles.

According to some Chinese reports, this is the first time for more than 30 years that

China has become involved in such an exhibition.

China's contribution is being organised by China New Era Joint Exhibitions, which is inviting foreign industries to discuss co-operation.

The leader of the Chinese group, Mr Ye Zhenhua, of the Xinshidai Company, said China "fervently hopes to establish and develop economic and trade relationships with military and technological circles of various countries".

### Trade

While the Government is keen to see Australia's balance of trade with China improved, defence officials are concerned that China's participation in the exhibition may be taken as a sign that the Australian Government wants to become increasingly involved in the politically sensitive area of arms trading.

Australian manufacturers may be wary of discussing their products with the Chinese in too much detail as there have been allegations in the past that China has pirated Australian designs.

Some sources within the government-owned Government Aircraft Factories in Melbourne still believe, despite vociferous Chinese denials, that the Nomad aircraft design, once considered for licensed production in China, was stolen by the Chinese, who produced an almost-look-alike version.



# AIDC INTEREST IN GAS INSURES FOREIGN INVESTMENT GUIDELINES MET

Melbourne THE AGE in English 1 May 84 p 31

[Article by Matthew Stevens]

[Text]

The Australian Industry Development Corporation will purchase a 6.1 per cent interest in the Palm Valley gas venture — the corporation's first equity investment in a resource project.

The AIDC will pay \$915,000 to Magellan Petroleum for the working interest in the Northern Territory's only commercial gas field. The purchase will bring the Australian ownership of the Palm Valley project to 53 per cent, which means it will now satisfy Foreign Investment guidelines that require a minimum 50 per cent of local equity in resource development projects.

The AIDC said the investment in Palm Valley was the result of a long association between the joint venturers and the corporation, which had culminated in an invitation from Magellan to join the project.

The AIDC said the decision to take up equity in the project followed the widening of its investment powers announced by the Federal Government last year.

The Government decided its investment corporation should be

allowed to invest its own capital and it dropped some restrictions, although the AIDC must give priority to certain types of investment, with one of the major guidelines being the Australianisation of development projects.

A spokesman for the AIDC said it was "certainly true" that the corporation was interested in further investment in the resource area. The AIDC is already heavily committed to Australian resource companies, having provided funds to Woodside for the development of the North-West Shelf and to Santos and other Cooper Basin partners for the Cooper liquids project.

In 1982-83, the AIDC made 35 new financial commitments totalling \$248 million, of which one third was related to developments in the resources sector.

The spokesman agreed that resource projects facing FIRB guideline problems could be prime areas for investment by the AIDC.

One project which could come to be the target for AIDC interest is the development of the South Pepper oil fields which, despite some reduction of overseas equity, still does not meet FIRB ownership requirements.

Since the freeing of the investment rules, the AIDC has made several major equity investments, including taking a 33 per cent share in a \$80 million hotel development in Melbourne, taking ownership of an international-standard hotel in Alice Springs and investing \$5 million in the high-technology company Nucleas Ltd.

The Palm Valley gas field, which has been in production since September last year, is in the Amadeus Basin about 130 kilometres from Alice Springs. Gas produced at the field is sold to the Northern Territory Electricity Commission.

The chief executive of Magellan said the principal reason for the sale, which is still subject to Government approval, is to increase Australian ownership of Palm Valley. Magellan, which currently holds a 57 per cent interest in the project, is 53 per cent owned by the US oil group, Magellan Corporation.

Magellan said the AIDC would make an initial cash payment of \$915,000 for the interest but that, in the event of an increase in recoverable gas reserves at Palm Valley, the AIDC would make further cash payments.



### Local Content of 80 Percent in Manufacture of Equipment Eved

Jakarta SINAR HARAPAN in Indonesian 27 Apr 84 p 11

[Excerpts] Jakarta, 27 April--The program of manufacturing major equipment items through the use of domestic raw materials such as steel sheets is aimed at reaching a local content of 80 percent by the end of the Fourth 5-Year Plan. This was stated by Engineer Hartarto, minister of industry, on the occasion of the official opening of the Major Equipment Factory at Cileungsi, Bogor Regency (West Java).

He said that during the Third 5-Year Plan the major equipment and construction industry had developed considerably in Indonesia. It now produces road rollers, stone crushers, cement mixers, non-automatic diesel engines, asphalt mixing machinery, and so forth. In this connection the items which are most sold include wheel loaders, motor road graders, excavators, and bulldozers.

According to Minister Hartarto, in 1983 the government decided that only three companies would produce these types of equipment. With the steady development of the marketing process in the future, in essence there would be a process of rationalization of the various brands of equipment.

The minister said further that the manufacture of components within Indonesia has been handled through a program of establishing a schedule, as contained in the minister of industry's Letter of Decision No 138/M/SK/4/1984, which was issued on 23 April 1984. The program covering the complete manufacturing process begins with the frame, including the main frame, the track-frame, the under carriage, and handling equipment. All of these must be capable of being manufactured in Indonesia. He said: "This includes both items made in the factory itself (in house) and those made by subcontractors in other factories (out of plant)."

### Protection Needed

According to Engineer Hartarto, the experience of countries which have meaningful capacity and capability in this sector indicates that protection is needed during the initial phase of growth. This also applies to the manufacturing program in Indonesia. He stated: "The protection which will be provided will be aimed at providing market guarantees by emphasizing the use of goods produced within the country." He added that this policy will be implemented in accordance with the manufacturing and efficiency level of the plant concerned, and a proper price must be established, so that the consumers will not suffer.

According to Engineer Danang Yudonegoro, director general of manpower, the new factory will employ fewer than 100 workers. A balance needs to be reached between conditions in the plant, or the work surroundings, and the condition and capacities of the workers and the community nearby. This is because the factory has been constructed in an area where the people are still relatively traditional in outlook.

5170

CSO: 4213/218

## ETHNIC DISCRIMINATION IN EDUCATION DISCUSSED

Jakarta KOMPAS in Indonesian 28 Apr 84 pp 1, 12

[Text] Jakarta, KOMPAS--Dr L E Coldenhoff, chief of the Jakarta regional office of the Department of Education and Culture, has admitted that there was once a provision establishing a ratio between indigenous Indonesian and non-indigenous Indonesian university students in the order of 70:30. She said: "However, in my personal view, integration will not be achieved merely by mixing them physically, or by changing their names, or by having them wear wigs. This is a question of feelings. A person feels he or she is an Indonesian or not. As for myself, if I am always told by Dutch people that my grandparents are Dutch, frankly, that makes me feel inferior." She was speaking last week when she was asked about the question of integration in education.

Apparently, the provision for a ratio between indigenous Indonesian and non-indigenous Indonesian university students is still in effect.

A number of KOMPAS sources in Indonesian institutions of higher learning and in the Department of Education and Culture admit that the state universities continue to limit the admission of non-indigenous Indonesian university students to about 7 percent of the total.

According to present plans, this problem will be discussed on 28 April at 9:00 am in the Ruang Pola [Pola Hall] at Jakarta City Hall. Participating in the discussion will be students from 25 state and private institutions of higher learning in Jakarta.

Observations made by KOMPAS representatives over the past 2 weeks or so indicate that integration in the educational field is still very much of a problem. One surprising development is the emergence of a non-indigenous Indonesian group in certain faculties at some universities. The faculties which are of particular interest to this group include economics, dentistry, engineering, and medicine.

Khumarga, master of laws and rector of the University of Tarumanegara, recently told our representatives in his office: "Indeed, faculties such as engineering, economics, and medicine tend to be dominated by non-indigenous Indonesian students." There are about 7,000 students at his university. Khumarga added: "The ratio of non-indigenous and indigenous Indonesian students is about 75 to 25, although we try hard to have a balanced student body. The problem may also be a

result of the fact that the University of Tarumanegara is in West Java." However, he also did not deny that these courses of study had been chosen because the length of the period of study is relatively shorter (except for medical studies). This speeds up the process of turning the students into workers who are ready to use what they have studied or stand on their own two feet more quickly. Khumarga said: "Don't forget that there is still a tendency for their parents to think of their children as a form of capital. This means that if a child can complete school more quickly and begin to earn money, this is a guarantee for his parents' old age."

#### Difficult

The rector of the University of Tarumanegara also mentioned that the faculty of law tends to be dominated by indigenous Indonesian students. He added: "The law field is indeed a difficult profession. A prospective student certainly thinks about what he will do or where, after he graduates. Now, we know that to become a civil servant is indeed a difficult matter for a non-indigenous Indonesian. This is the case, even though many of the non-indigenous students want to work for the government."

The exclusion of the possibility of non-indigenous Indonesian students entering the general fields of politics, law, and so forth, forces them to compete for places in other fields.

Dr Mely G Tan, a staff researcher at LEKNAS-LIPI [Indonesian Community Economic Institute-Indonesian Science Institute], has a different view. The ethnic Chinese student group, to employ the term used by Doctor Mely, is not just to be found at the universities. She said: "In fact, this group begins to form in kindergarten and continues through the following educational levels. This has its roots in the educational history of this group and in the history of their role in the broader community."

According to Doctor Mely, at the elementary and high school level there is a tendency to choose certain private schools. She added: "This is because these schools are considered good from the point of view of instruction or education and particularly discipline, beside the fact that it is more difficult for them to obtain entry to good state schools."

According to Doctor Mely, at the university level they join in the competition with other Indonesian ethnic groups to obtain entry to universities. She added: "This is because there is a general view that at the university level, and particularly at the best state schools, the costs are far less than at the private universities."

However, Doctor Mely said, the view has long been commonly held that there are limits on the admission of university students of Chinese descent. "They say that you have to graduate at the top of your high school class, but even then you may not be accepted."

## Foreign Universities

Because they are not admitted to Indonesian state universities, they try to enter private universities or go overseas, in the case of those who are well off. Doctor Mely added: "As a result, it is unfortunately clear that university students of Chinese descent as a group are to be found in the private universities. Are they wrong to go there? Clearly, this situation is not helpful to the effort to develop similarities in educational experience." She also emphasized that the university problem is a generalized one which results from the fact that applications for admission to universities far exceed the places available.

5170

CSO: 4213/218

## TWO EAST JAVA NU EXECUTIVE COMMITTEE OFFICIALS REPORTED SACKED

Jakarta TEMPO in Indonesian 28 Apr 84 p 18

[Text] The anniversary of the NU [Muslim Scholars] was solemnly celebrated in East Java. However, it was also marked by the emergence of further factionalism.

The dark green banners with the symbol of the NU were increasingly seen during April throughout East Java. The organization of ulama [Muslim Scholars] was celebrating its 60th anniversary, 1 month late. At the same time reports were spreading regarding the removal of two members of Parliament from the East Java leadership of the NU and of the PPP [Development Unity Party].

Hizbullah Huda--deputy chairman of Committee V of Parliament--lost his seat as deputy chairman of the East Java Provincial Executive Council of the Development Unity Party. The position of H Aziz Purwo--also a member of Parliament--in the East Java Provincial Consultative Assembly was also abolished. In addition, Aziz also lost his position in the provincial leadership of the NU. However, the two members of Parliament state that they have not received any letter informing them of these actions, and they deny they have been dismissed. What's the problem?

It seems that the East Java branch of the NU is now beginning to implement the decisions reached at its working conference held in March 1984. The working conference decided, among other things, that the NU and the PPP must be separated in an organizational sense. About 2 months ago the East Java Provincial Executive Council of the PPP held a plenary session to re-elect its leaders. Hizbullah and Aziz, who were considered by those present at the meeting to have been inactive, were dropped from the positions they held. H M Hasyim Latief, coordinating chairman of the Provincial Executive Council of the PPP and also East Java chairman of the NU, said: "This decision was agreed to, among others, by representatives of the SI [Islamic Union] group and the MI [Indonesian Muslim Community]." With regard to the letters of dismissal, he said: "Because I was ill, I have not yet signed the letters of dismissal. However, officially the two of them have already been replaced."

Then, at the beginning of April 1984, a plenary session of the East Java branch of the NU also dropped Aziz from the leadership of the organization for the reason that he had not been sufficiently active. However, Aziz rejected this reason. He said last week: "I have always attended the meetings." He thinks that in the



background of his dismissal are factional disputes within the NU which have not been resolved over the past few months.

In Jakarta on 23 April Hizbullah said: "I don't understand this. I will oppose this decision." He said that during the general elections campaign in March 1982, when he was no longer a member of the East Java provincial leadership of the NU, his position in the PPP had begun to come under attack. He also mentioned that he was often attacked as a supporter of Idham Chalid and as having the intention of establishing a rival Provincial Executive Council of the PPP, with the support of the MU [Assembly of Ulama], the SI, and Perti [Islamic Educational Movement]. He said: "I once told Ali Ma'shum (NU general chairman) [rais aam] that with regard to NU questions I did not take sides. My orientation was only toward the organization, not to individuals."

H Nuddin Lubis, deputy chairman of the Central Executive Council of the PPP and chairman of the Executive Committee of the NU, was also surprised to hear the report of the East Java "dismissals." He said: "If the reason was only that these people were supporters of Idham Chalid, that's going too far. Idham Chalid himself has not been removed." According to Nuddin, there are no factional splits within the NU.

In any case the 60th anniversary of the NU in East Java this time was more colorful than last year. This week a unanimous statement of the intention of the younger generation of the NU to respect the decisions of the National Conference of Ulama in Situbondo [East Java] was sent to the commander of Military Region VIII/Brawijaya. However, the anniversary celebration, which had the theme of "bringing back the interest, spirit, and love of NU members for the NU" was also marked by reports of this factional split.

5170

CSO: 4213/218



'PRIBUMI,' 'NON-PRIBUMI' LABELS ABOLISHED BY PRESIDENTIAL DECREE

Jakarta SINAR HARAPAN in Indonesian 26 Apr 84 p 1

[Article: "Terms 'Pri' and 'Non-Pri' Abolished; Replacement Is 'Economically Weak Groups'"]

[Text] Jakarta, 26 April--The terms 'pribumi' [indigenous Indonesian] and 'non-pribumi' [non-indigenous Indonesian], as contained in Presidential Decisions No 14A/1980 and 18/1981, have been abolished and replaced by the term "economically weak groups" in Presidential Decision No 29/1984, which replaces these two presidential decisions.

In addition to Presidential Decision No 29/1984, Presidential Decision No 30/1984 has also been published, which establishes regulations on the Team for Controlling Departmental Supplies.

Ginanjjar Kartasasmita, deputy minister of home affairs for increasing the use of domestically-produced goods, when questioned by reporters on 25 April at the Office of the State Secretary, said that the two new presidential decisions were refinements of the two orders which had been abolished.

He said that the replacement of the terms 'pribumi' and 'non-pribumi' with the term 'economically weak groups' was exclusively aimed at removing the sharp distinctions which had emerged as a consequence of the use of the terms 'pribumi' and 'non-pribumi.'

However, he said that this did not mean that efforts to achieve equal treatment and justice had been abandoned.

In the statement of intent of Presidential Decision No 29/1984 it was clearly mentioned that "because the majority of persons in economically weak groups are indigenous Indonesians, in the framework of achieving equal treatment in the implementation of the development program, and at the same time in encouraging the achievement of national integration, special opportunities will be given to the economically weak group, and in this case to indigenous Indonesians.

"Included in the group of indigenous Indonesians will be those who have already been integrated as indigenous Indonesians."

According to the deputy minister, the most important aspect of providing this opportunity to indigenous Indonesians is helping and guiding them to achieve a greater capacity for the economically weak group to participate in the development process.

## BRIEFS

SUGAR PRODUCTION, FOOD PROCUREMENT--Sukriya Atmadja, deputy chief of the Bureau of Logistical Affairs (BULOG), declared in answer to a question from the press that sugar production this year is good. Up to this point in the milling season production has totaled 1.8 million tons. Sugar is filling the BULOG warehouses and the warehouses of sugar mills, as well as storage space in non-KUD [Village Unit Cooperatives] facilities leased by BULOG. It looks as if there has been a much larger amount of sugar put in storage because the harvest has been rather good. This was stated by Sukriya Atmadja at the ceremony opening the Food Documentation Center [Perpustakaan Pangan] at Tambun, Bekasi Regency, on 26 April. He went on to say that BULOG is trying to reduce this overflow of sugar by selling it. On the other hand the sugar mills are engaged in building warehouses, although some of them have been faced with credit terms which they consider are too difficult. There are also sugar mills which are increasing their warehouse space for storing sugar with money from the rental of warehouses by BULOG. Sukriya Atmadja declared that the national food storage effort this year is expected to exceed its goal, which was fixed at about 1.6 million tons. The total amount of food stored up to the high point of the harvest, which will be reached in May or June, is expected to exceed 2 million tons. The movement of rice into storage up to the end of April amounted to 600,000 tons. Last year stocks of food only amounted to 900,000 tons. At the same point last year, or April 1983, a total of 300,000 tons of food had been stored. [Text] [Jakarta SINAR HARAPAN in Indonesian 27 Apr 84 p 11] 5170

CS0: 4213/218

CLANDESTINE RADIOS REPORT BATTLEFIELD ACTIVITY

Families Forced From Kompong Som

BK180417 (Clandestine) Voice of Democratic Kampuchea in Cambodian 2330 GMT  
17 May 84

["News commentary": "The Vietnamese Enemy Forced 300 Families of Our People to Leave Kompong Som Town"]

[Text] On 27 April, the Vietnamese enemy forced 300 families of our people to leave Kompong Som Town. One hundred families were forced to settle in (Kampinh) village. One hundred families were settled at (O Preah) and another hundred were forced to settle at (Chumup Pralong). The Vietnamese soldiers would kill any person who did not want to leave the town. They stole the villages and houses of our people in Kompong Som town so their civilians could stay there. This criminal act by the Vietnamese enemy aggressors has caused hardship and suffering to our people, who had no shelter and have died of famine.

At present, the Vietnamese enemy aggressors have increased the implementation of their Vietnamization policy by forcing our people to leave their villages and houses. They have stolen our people's villages and houses to enable their nationals from Vietnam to settle there. They have implemented their Vietnamization policy because they are defeated, are at a complete impasse, and clearly realize they cannot swallow Kampuchea militarily. The Vietnamese enemies have increased the evacuation of our people from provincial seats and important towns because they are afraid that our people cooperate with our national army and guerrillas and revolt against and fight them.

Our Kampuchean people are very angry at the Vietnamese enemy aggressors. They are determined not to let the Vietnamese enemy aggressors steal and swallow our territory and villages as they wish. They are resolute to unite with our national army and guerrillas to fight the Vietnamese enemy aggressors until they are all driven from our Kampuchean territory.

Attack on Anlung Reap

BK190334 (Clandestine) Voice of the National Army of Democratic Kampuchea in Cambodian 2300 GMT 18 May 84

[Text] On the night of 17 May, our special detachment attacked and destroyed the Vietnamese command position at Anlung Reap, Western Leach battlefield. Situated there are the command posts of Brigade [Kangpol] No 339, Brigade No 2, and the independent Regiment No 14. After an hour of fighting we completely destroyed this command position.

As a result, we killed or wounded 50 Vietnamese enemy soldiers. We destroyed 4 large ammunition depots, a medicine storehouse, 2 gasoline depots with a capacity of 20,000 liters, 2 large rice storehouses, 6 trucks, and a weapon warehouse in which there were 120-mm and 37-mm guns. We also destroyed 32 military barracks and a trench. [as printed]

#### SRV Commune Offices Attacked

BK210458 (Clandestine) Voice of Democratic Kampuchea in Cambodian 2330 GMT  
20 May 84

[Text] On 13 May, our National Army and guerrillas attacked and totally smashed two Vietnamese commune offices, that is, the Rohat Toek and Bat Trang communes, on South Sisophon battlefield. We killed 2 Vietnamese soldiers; wounded 3 others; and destroyed 2 AK's, a rice mill containing 50 sacks of paddy and 50 sacks of rice, and a quantity of war materiel.

Long live our valiant and courageous National Army, guerrillas, and people on the South Sisophon battlefield!

#### Guerrillas Attack SRV Regiment

BK230240 (Clandestine) Voice of Democratic Kampuchea in Cambodian 2330 GMT  
22 May 84

[Text] On 14 and 15 May, our National Army and guerrillas ambushed a Vietnamese regiment at Dannaek Chek, south Sisophon battlefield. We killed 31 Vietnamese enemy soldiers on the spot and wounded 12 others for a total of 43 casualties. The remaining soldiers fled. We destroyed 1 B-41 and 2 B-40 rocket launchers, 10 AK's, a DK-82 gun, a 12.7-mm machinegun, a machinegun, and a quantity of materiel. We also seized 15 B-40 rockets, 10 60-mm mortar shells, 3 Claymore mines, 1,500 rounds of AK ammunition, 16 bundles of goods, a map, and a quantity of materiel.

Long live our valiant and courageous National Army, guerrillas, and people on the south Sisophon battlefield!

CSO: 4212/50

KAMPUCHEA

CHAN SI SENDS MESSAGES TO VARIOUS LEADERS

Thanks Poland's Jaruzelski

BK230319 Phnom Penh Domestic Service in Cambodian 1300 GMT 22 May 84

[Text] Comrade Chan Si, member of the KPRP Central Committee Political Bureau and chairman of the PRK Council of Ministers, recently sent a message of thanks to Comrade Wojciech Jaruzelski, first secretary of the Polish United Workers Party Central Committee and chairman of the Polish Council of Ministers, for the latter's greetings on Comrade Chan Si's 50th birthday. Among other things the message noted: I wish you good health and new victories in your noble mission for the current national construction period.

Thanks Pham Van Dong

BK220649 Phnom Penh Domestic Service in Cambodian 0430 GMT 22 May 84

[Text] Comrade Chan Si, chairman of the PRK Council of Ministers, recently sent a thank-you message to Comrade Pham Van Dong, chairman of the SRV Council of Ministers, for his greetings on Comrade Chan Si's 50th birthday. The message read:

I wish the fraternal Vietnamese people under the correct leadership of the CPV greater victories in building the Vietnamese socialist fatherland.

May the relations of harmonious friendship and militant solidarity and all-round cooperation between Kampuchea and Vietnam grow firmer.

May you enjoy good health and successes in your noble mission.

Thanks MPR's Batmonh

BK230628 Phnom Penh Domestic Service in Cambodian 0430 GMT 23 May 84

[Text] Comrade Chan Si recently received a warm greetings message from Comrade Jambyn Batmonh, member of the Mongolian People's Revolutionary Party Central Committee Political Bureau and chairman of the Council of Ministers of the People's Republic of Mongolia, on the occasion of his 50th birthday.

Answering Comrade Jambyn Batmonh's greetings, Comrade Chan Si sent him a thank-you message which reads:

Thanks GDR's Willi Stoph

BK300712 Phnom Penh Domestic Service in Cambodian 1300 GMT 29 May 84

[Text] Comrade Chan Si, chairman of the PRK Council of Ministers, recently sent a thank-you message to Comrade Willi Stoph, chairman of the GDR Council of Ministers, for greeting him on his 50th birthday. The thank-you message said:

I totally agree with your emphasis that the fraternal friendship between our two countries and peoples has developed in all aspects on the basis of Marxism-Leninism and the treaty of friendship and cooperation signed between our two countries.

Please accept my best wishes for your good health and greater success in fulfilling your noble mission.

Greets Bulgaria's Grisha Filipov

BK010728 Phnom Penh Domestic Service in Cambodian 1300 GMT 30 May 84

[Text] Comrade Chan Si, chairman of the PRK Council of Ministers, recently sent a thank-you message to Comrade Grisha Filipov, chairman of the Council of Ministers of the People's Republic of Bulgaria, for greeting him on his 50th birthday. The message said:

I also wish you good health, strength, and new victories in carrying out your noble mission.

I am firmly convinced that the fraternal friendship and cooperation between the PRK and the People's Republic of Bulgaria will grow further for the interests of our two countries and peace in the world.

CSO: 4212/50



## REPORT ON 14-20 MAY AGRICULTURAL DEVELOPMENTS

BK211002 [Editorial Report] Kampuchean media monitored by Bangkok Bureau carried the following reports on agricultural developments during the reporting period 14-20 May:

Svay Rieng Province: Phnom Penh Domestic Service in Cambodian at 0430 GMT on 14 May reports that during the 1st trimester of this year, over 19,500 metric tons of paddy were purchased from the people in the province. Up to now, over 1,100 hectares of land were tilled. The radio adds that, in 1984, the provincial agriculture service plans to work on intensive rice cultivation on 5,000 hectares.

Pursat Province: Phnom Penh Radio at 0430 GMT on 14 May reports that up to the end of April, peasants in the province tilled over 3,500 hectares of land and broadcast over 1,000 hectares of floating rice. The province also plans to grow 80,000 hectares of rice this rainy season, including 20,500 hectares of early rice and 10,000 hectares of floating rice. A total of over 13,000 head of cattle was vaccinated against various diseases during the first 4 months of this year. At 0430 GMT on 15 May, the radio reports that from mid-April to the beginning of May, peasants in Kandieng District tilled over 2,000 hectares of land and broadcast over 1,000 hectares of floating rice. The agricultural service provided over 60 metric tons of chemical fertilizers to peasants in this district.

Kompong Cham Province: At 0430 GMT on 14 May, Phnom Penh Radio reports that up to now there are 270,000 head of cattle. The veterinary service in the province vaccinated over 150,000 head of cattle against various diseases. At 1300 GMT on 14 May, the radio reports that 4,300 cubic meters of sawn logs were cut in the province. The province exported to other provinces over 2,100 cubic meters of sawn logs and sawn-up logs and over 44,000 kg of charcoal.

Phnom Penh Radio at 1300 GMT on 15 May reports that in Tbong Khmum District, over 300 hectares of land were tilled by tractors borrowed from the provincial agriculture service. Over 100 hectares of rice were broadcast and over 900 hectares of tobacco were planted in the district. At 1100 GMT on 17 May, the radio reports that between early April and early May, over 1,200 hectares of rice were sowed, 140 hectares of rice were broadcast, and over 1,000 hectares of land were tilled in Ponhea Krek District. During the same period, over 1,100 hectares of corn, beans, and sesame were also planted. A total of 250 metric tons of chemical fertilizers were provided by the state to peasants in this district.



Kompong Chhnang Province: Phnom Penh Domestic Service in Cambodian at 1300 GMT on 14 May reports that up to now, tractor operators of the agriculture service have tilled over 700 hectares of land in the province. At 0430 GMT on 18 May, the radio reports that peasants in the province sold over 8,500 metric tons of paddy to the state, or 77 percent of the plan. By the end of April, over 3,400 hectares of rice were transplanted.

Kandal Province: Phnom Penh Radio at 1300 GMT on 14 May reports that peasants in Muk Kampul District transplanted over 2,200 hectares of rice. Up to April, they have harvested 35 percent of the plan with an average yield of 2.5 metric tons per hectare. At 0430 GMT on 19 May, the radio reports that peasants in Ponhea Loe District plan to grow 500 hectares of rice this rainy season.

Kratie Province: Phnom Penh Domestic Service in Cambodian at 1300 GMT on 15 May reports that 4,700 hectares of rainy season rice were harvested in Kratie District and over 1,300 hectares of dry season rice were planted.

Kompong Thom Province: At 1300 GMT on 15 May, the radio reports that by mid-April, over 32,000 metric tons of paddy were sold to the state by peasants in the province. At 1300 GMT on 16 May, the radio reports that over 6,200 metric tons of fish were caught this season.

Kompong Speu Province: Phnom Penh Domestic Service in Cambodian at 1300 GMT on 16 May reports that by 13 May, over 200 hectares of land were tilled, almost 50 hectares of rice were sowed, and over 100 hectares of other crops were planted in Oudong District. At 0430 GMT on 19 May, the radio reports that by mid-May, peasants in Baset District have tilled 62 hectares of land, sowed 15 hectares of rice, and planted almost 190 hectares of subsidiary crops.

Battambang Province: At 0430 GMT on 17 May, the radio reports that the provincial agriculture service sent 163 tractors to help till land in various areas in the province. In April, they tilled over 3,300 hectares of land. They plan to till 80,000 hectares of land by tractor in the province.

CSO: 4212/50

BATTAMBANG OFFICIAL REPORTS MILITARY SUCCESSES

BK260413 Phnom Penh Domestic Service in Cambodian 0430 GMT 25 May 84

[Statement by Sum Sat, acting chairman of the Battambang Provincial People's Revolutionary Committee, on developments in the province during the first quarter of the year--recorded; date not given]

[Excerpt] Along the [Kampuchean-Thai] border, we achieved many victories such as the ones at O Da camp, Ta Sanh, Samlot, and Sok San, which are the enemies' important bases and economic bases that they have sold to the Thai, who employ up to 10,000 people in exploiting the precious stones. At the same time, we swept the enemies and killed 80 of their soldiers on the spot and seized many weapons and waterpumps. We burnt down hundreds of shelters and destroyed 120 pieces of equipment which the enemies have used to sabotage our economy. Among the things we destroyed were fuel and materiel used by the enemies on our territory. Furthermore, we captured eight Thai and killed 120 others on the spot; 280 others voluntarily gave themselves up, and 38 were forced to surrender. We seized many assorted weapons and a lot of ammunition. We also destroyed 1,259 enemy shelters.

In the Tuol Ampil area, we launched operations that killed 360 enemy soldiers on the spot. We also seized 99 weapons and 700 gk [as printed] of rice. We completely destroyed this enemy base.

On another battlefield at Phnum Ka-Ngaoh along the Kampuchean-Thai border, we killed 73 enemy soldiers on the spot and destroyed 5 of their warehouses and a number of vehicles.

I would like to specify that on major battlefields along the border we completely destroyed enemy bases and have done our best to ensure stability and a peaceful life for our people near the border. In sum, during the first quarter of this year, we launched 482 operations, put out of action 3,674 enemy soldiers, and killed 203 on the spot. The total number of those we uncovered and those who surrendered was 519. We seized 985 assorted weapons, 950 mines, 230 antitank mines, 73 bombs, and 150 metric tons of ammunition. Furthermore, we shot down an enemy plane. These are our successes along the border.

Apart from this, we managed to persuade 186 people to surrender. We seized an assortment of 98 weapons, and our people found 19 others, thus totaling 117. We also seized a large quantity of ammunition and military materiel.

EDITORIAL VIEWS INTENSIVE RICE CROPPING

BK290704 Phnom Penh Domestic Service in Cambodian 2300 GMT 27 May 84

[Station editorial: "Vigorously Stimulate the Intensive Rice Cropping"]

[Text] This year's rainy season has arrived. Good rainfall has created favorable conditions for planting all kinds of crops.

From last year's experience, one of the major factors for successful production is good preparations. Like last year, this year our peasants in all localities have prepared everything and strived hard to grow the rainy season rice in order to produce sufficient grain for consumption and possible export in exchange for imported raw materials to serve our production of goods for the people. To realize this goal, the Agriculture Ministry set forth two major tasks at the end of its recent meeting: expansion of cropping acreage and increase of rice yield.

To realize these requirements, localities that have fallow land should set up a thorough plan, contact the relevant sectors, and strive to reclaim the fallow land in accordance with the plan. In the past year, Prey Kabbas, Samraong, and Bati Districts of Takeo Province and some other provinces successfully carried out work in accordance with the spirit of the directive issued by the land reclamation committee. Localities in which the area of fallow land exceeds the capacity of their labor force should lend some parts of their land to nearby localities that have more labor force than the amount of available land. This is in order to utilize all land. All localities which are capable, particularly those which are capable of coping with the water problem, should take concrete measures to do double croppings--that is, once from May to August and again from August to December. Moreover, all localities should pay attention to actively stimulating the intensive cropping.

Last year, peasants in Prey Veng, Takeo, and Kandal Provinces successfully carried out intensive cropping of IR-36 rice. The yield was 5 to 8 metric tons per hectare. From experience gained by our peasants and according to agricultural technique, such a high output is made possible due to six factors: strain, fertilizer, water, management of production acreage, good care, and timely collection of crops.

The use of good strain certainly brings high output. From 1979 to date, all localities have experimented with the use of new rice strains, such as IR-36, IR-42, and other kinds of IR rice strains. These strains give higher output than the local rice strain. However, there are some difficulties in taking care of these new rice strains, which require a more complicated planting method. Therefore, all localities must pay attention to selecting good rice strains, both the IR and local varieties. In particular, they should select strains that give high a yield and are immune to bad weather, drought, and disease.

Fertilizer is an important factor for crops to grow well. At present, we are using two kinds of fertilizer: chemical fertilizer and natural fertilizer. Chemical fertilizer is imported. We have only a small amount of it and it is very expensive; thus, we should use chemical fertilizer according to its application method. We have a large quantity of natural fertilizer in our country. According to past experience and experiments, fresh leaves, grass, animal manure, straw, ashes, bat excretions, kitchen garbage, and peanut shells can be mixed into fresh fertilizer, green compost, and animal manure. In short, these are called natural fertilizer. Natural fertilizer is good for all kinds of crops because it is a mixture of nitrogen, phosphorus, and potassium which makes rice grow well with high yield. Natural fertilizer enables soil to absorb more water and moisture, thus enabling rice crops to survive even during drought. Natural fertilizer is very effective on rice crops because it melts slowly, enabling plants to take root and absorb it well. Moreover, this kind of fertilizer is available everywhere and can be produced easily.

Industriousness and creativity are good sources for fertilizer collection. Even a single hog which is raised carefully by each family may, together with our creative efforts made for a year, provide enough fertilizer for a hectare of land.

Water is a decisive factor for intensive rice cropping. Without water, rice strain and fertilizer are of no consequence. In the PRK, rainwater is the decisive factor for rice production. Rainfall is irregular. Sometimes there is rainfall at the beginning of the season and then drought in July, August, or September. Rainfall comes again at the end of the season. Sometimes, there is long rainfall and the rainy season begins in August. Sometimes, there is abundant rainfall; thus, rice seedlings are inundated.

This year, there are good rainfalls almost everywhere since the beginning of the season. To cope with any possible drought in the coming months, all villages and production groups must take measures to preserve water and prepare irrigation tools such as scoops, waterwheels, waterpumps, and fuel oil. The good tending of crops, the use of agricultural method in rice planting, and the timely land tilling, sowing, and transplanting of rice crops are also important factors for intensive rice cropping.

Our peasants throughout the country have pledged to strive hard to grow the 1984-85 rainy season rice to the full capabilities and availability of land, water, fertilizer, strains, and labor force in order to fulfill and even overfulfill the plan set forth by the party and state.

## COLUMNIST SEEKS KPNLF REORGANIZATION, DEMOCRATIZATION

Paris MOULKHMER in French May 84 pp 6, 7

/Article by Sok Vannak/

/Text/ Reorganization Absolutely Necessary

Things are still not getting any better within the FNLPK /Khmer People's National Liberation Front/, particularly in Paris; and we can only regret this fact. The reason for this is that the leadership of that organization remains what it has been for the past 5 years: an exclusive oligarchy which leaves no room for participation by other individuals and scarcely appears to permit the right to criticize. And yet, we must repeat, the FNLPK should be a movement open to all Kampucheans concerned about the future of their country; it should be everybody's business and not that of a small number of persons. Criticism should be given free rein in this connection, instead of being constantly stifled by procedures which are questionable, to say the least. Concerted effort should be allowed to replace the secrecy surrounding the upper-echelon leaders. In short, a certain "triumphalism"--of the style "Everything is going very well, Madame La Marquise!"--should give way to more modesty. In fact, many improvements are necessary; the results obtained during the past 5 years are limited--this is the least that can be said--and a lengthy road remains to be traveled before achieving the liberation of Kampuchea which is, as its name moreover indicates, the FNLPK's principal objective.

Thus, a far-reaching reorganization of the FNLPK its leadership structures and its methods of action (or rather inaction) is imperative. It is to be hoped that this reorganization will take place in the near future, for time is running short. In fact, within 2 or 3 years, if things remain as they are, Hanoi will have achieved all its objectives and it will be too late. It is fitting to give the FNLPK the stimulus it has lacked until now to convert it into a dynamic movement which will give all its members and sympathizers the feeling that they, too, are concerned and have a role to play within this liberation movement. This is especially true, since good will is not lacking among Kampucheans of all age groups. This goodwill asks only for an opportunity to manifest itself, provided efforts do not continue to be made to discourage it by keeping it suppressed.



As for us, not dependent upon anyone (for no one is subsidizing us), we shall continue to criticize without caring whether we are displeasing certain individuals. For the right to criticize is the very cornerstone of any movement which claims to be truly democratic, and we are determined to exercise that right. The time has passed for prostrating ourselves, forehead in the dust, before an autocrat monopolizing all powers. That time is definitely over. We are now undoubtedly exiles, but that is no reason to renounce--insofar as Kampuchean affairs are concerned--our right to criticize, speak and act as free people. That is why we are demanding a reorganization of the FNLPK to be carried out in this spirit, and we shall continue to denounce the weaknesses and errors which are obvious to everyone.

To criticize does not mean to denigrate, and exercising the right to criticize is all the more justified when the national interest is at stake. That is why we shall tirelessly repeat that the FNLPK must become the affair of all Kampucheans who are sympathetic to it. In like manner, we must repeat once more that it is essential for this front and its present leadership to concern themselves with preparations for the future, that is, to assure a changing of the guard when the time comes. And this will be possible only by working closely with fellow countrymen who, until now, have not been sufficiently consulted. Who, in fact, have never even been consulted on anything. May, then, the right to speak be returned to them, especially when it is a matter of making decisions which may affect the future and which, thus, concern all Khmer nationalists, not just four or five individuals.

8568

CSO: 4219/41

KAMPUCHEA

BRIEFS

MESSAGE FROM TIKHONOV--Comrade Chan Si, chairman of the PRK Council of Ministers, recently received a thank you message from Comrade Tihonov who was recently reappointed chairman of the USSR Council of Ministers. The message stresses: I am confident that the relations of friendship and cooperation between the USSR and the PRK will be further developed in the common interests of our two peoples and for peace and social progress. [Text] [BK270730 Phnom Penh Domestic Service in Cambodian 0430 GMT 27 May 84]

CSO: 4212/50



## EDITORIAL CITES GOALS FOR WOOD EXPORTS

Vientiane PASASON in Lao 23 Apr 84 pp 1, 3

[Editorial: "Encouraging The Planting, Conservation, And Felling Of Trees To Create Good Forests"]

[Text] Next to agricultural production, forests are the nation's strong means of achievement. This is the reason why in the past years our party and government have adopted many techniques and have invested properly in conservation and in improving tree planting and felling, and also other forest products. It is also to make the forests increasingly useful for the national economy, e.g., for exports. At the same time we have been able to limit slashing and burning in the forest, and tree-growing is now becoming a task of the masses throughout.

However, the primary promoting of all-around forestry work of conserving and felling trees and tree-planting to make forests is also a duty specified in the plenum of the fifth Party Central Committee Congress, whose third session was concerned with the socioeconomic development plan for 1984. In particular, we must try to cut 200,000 to 250,000 cubic meters of trees. These must be processed to give 100,000 to 120,000 cubic meters and must increase wood exports to half the amount of the trees felled. Two-thirds of these wood exports should have been processed already. Along with cutting the trees, the forests must be improved and reinspected to ensure the strict carrying out of the policies and varying laws on forests and natural resources announced by the government, [namely] to stop slashing and burning the forest whenever they please, and carrying out the policy of praising and giving remuneration to those who do good work in preserving and taking care of the forests, tree felling, and processing and distributing wood products. Also, we must punish those who violate the laws and who damage the forests and natural resources. The purpose of doing this is to maintain order in the country and to preserve the rich natural resources of our country for our children.

Moreover, it is time for the forestry section to turn to the base to guide each district, canton, village, and agricultural co-op, and each office, organization, school, and hospital so they will know how to plant trees to make forests, and what kinds of trees should be planted and where. It will be good to get ready and plant assorted young plants adequately in

order to organize the mobilization of tree-planting to make forests on the occasion of National Arbor Day this coming 1 June by accelerating offices, organizations, and especially villages to make the bare hills gradually become green. We should consider this task a campaign to score achievements for the two historical days in 1985.

If we wish to succeed in this, the work sections concerned must diligently organize, inspect, and support it on a regular basis, and must solve various problems in a timely manner, e.g., in felling, transporting, processing and distributing trees, allocating tree-cutting areas, etc. They should specify the organizations, divide up the levels, and give the right to localities and bases to manage, preserve, and fell trees, or they might experiment on the basis of guaranteeing the three benefits aimed at protecting and expanding the likely forest areas. Meanwhile, they have to discuss and work in close cooperation with mass organizations, the army and the people in order to mobilize support for growing trees for forests, and for forests to become jungles, and for taking care of our country's forests so they will gradually become green and thick. Only if we can make this work into a mass process and make all soldiers, cadres, government employees, workers and the people awaken and take care of trees and adhere to the regulations in preserving forests, will we be able to preserve the forests which are our excellent natural resource, and for our country to be green forever.

9884

CSO: 4206/122

## CO-OP UTILIZES CONTRACTS, PRIVATE RICE FIELDS

Vientiane PASASON in Lao 23 Apr 84 p 2

[Article by S. Phanthavong: "The Tha Sammo Co-op Where I Visited"]

[Excerpt] As I stepped into the office of the Tha Sammo Agricultural Co-op the first things I saw were the board of directors, the inspection committee, and the accounting committee of the co-op who were collecting money by the tens of thousands received from the sale of products which had been produced by the co-op.

For the actual production in the dry season period such as the first three months of 1984 they were able to grow 34 hectares of dry season rice, to make approximately 50 tons of fertilizer, harvested 200 kg of tobacco, sold 72,480 kip worth of earthenware, [large stone jars for fermented fish], and jars of fermented fish. They baked 50,000 bricks and sold 113,300 kip worth of hard-skinned sugarcane. The actual production around the co-op office is now an important source of income. When we saw the large field of dry-season rice it was full of rice plants with many places where it was yellow with ears of rice that were ripening. Fertilizer holes were full of fertilizer. It would be used correctly when it was needed. The sugar cane and papaya plantation looked like a forest. The co-op's crops are truly remarkable. This is why the co-op is solid and advanced in the collective life style. A key to the Tha Sammo co-op's advancement to convenient large family-style living is the organization and leadership, especially the internal policy and also the policies toward the members in the co-op. For example, there was a youth with outstanding achievements who wanted to get married. The co-op gave him 3000 kip and 50 kg of rice along with free [items for the celebration]. It gave 1,500 kip and 20 kg of free rice to those with medium outstanding achievements who wanted to get married. For sick members older than 5 years of age the co-op paid 2000 kip per person, and 1000 kip for those younger than 5 years down to 3 months. Moreover, the co-op has a funeral association to help the families of those who have lost their lives. An expectant mother is allowed to rest one month before and after delivery, and two work scores a day will be counted. Old people and children who do not have any labor will receive 7 percent of the product individually based on the co-op result. In case of sickness they will be sent to a hospital free of charge.

In Tha Sammo Co-op the [members] not only produce for income for the whole, but also have a policy to give the members a chance to build up the family economy, e.g., by encouraging each family to raise at least three pigs. The co-op sells rice bran inexpensively on a regular basis. As for cultivation, the co-op has allocated one-half hectare of land per family to grow rice and other crops.

9884

CSO: 4206/122

## POLISH CORRESPONDENT NOTES STATUS OF RELIGION, PERSONALITIES

Warsaw WALKA MŁODYCH in Polish 19 Feb 84 pp 22-23

[Article by Tadeusz Samborski]

[Excerpt] The bloodless course of the final decisive stage of the revolution should be ascribed not only to the gentleness and contemplative nature of the Lao people but in the first place to the wisdom of the leadership of the People's Revolutionary Movement, which acquired its political experience during over 30 years of ceaseless struggle with the French colonizers, American imperialists and domestic reaction.

The revolution carried out with great political tact did not generate a sea of hatred dividing individual social groups. Nationalistic and religious policy, realized with restraint, serves well the integration of the whole nation, which on these two counts is far from being homogeneous. For it cannot be denied that a nation of a little more than 3 million is composed of 68 different nationalities and tribal groups speaking different languages and professing, despite the predominant Buddhism, many different local religious beliefs.

The new authorities did not break with that which from time immemorial had molded the mentality of the Laotians and their system of moral values, that is, with the Buddhist religion. A considerable number of Buddhist monks in 1975 supported the revolutionary government, which was externally expressed by the fact that on the rostrum of honor of the rally for the liquidation of the monarchy and proclamation of the republic alongside representatives of the Lao Patriotic Front and the Pathet Lao there was present a considerable group of them. From the very beginning of the functioning of the new regime the state authorities have conducted wise policy of winning over the Buddhist clergy for realization of state tasks. The educational system of the Lao People's Democratic Republic is taking into account the potentialities of the Buddhist schools and their role in spreading education, stimulation of cognitive aspirations and popularization of knowledge and medical practices. In Vientiane alone one may get the impression--surely well-founded--that repairs are being carried out on many more sacral buildings than public utilities, including government buildings. Incidentally, it is worthwhile to note that the monks themselves are remarkable masters at executing mural paintings, stone statues, and richly carved doors, among which it is difficult to find two identical ones.

The life and course of events in Laos from the first day after proclamation of the republic until the present have proved that the political wisdom of the revolutionary authorities, displayed by taking into account specific national characteristics of the Laotians and respect for historic and religious traditions, has brought about the disappearance of class and ethnic conflicts, and thereby paved the way for national accord and the integration of all social groupings for the realization of state-wide tasks in the plane of socialism. It is exactly in this context that we should consider the fact that the bonzes serve, by the authority which they enjoy among believers in Buddha, the cause of underpinning the credibility of the state socialist authorities, especially in those communities and social groupings where the influence of the state apparatus is rendered difficult for objective reasons (dispersed peasants, numerous mountain tribes, etc.). The adaptation of the principles of Buddhist religion to conditions of the new regime is being promoted by numerous seminars organized by the secular authorities. Their effectiveness is attested by life itself, which is free in this area from tensions and conflicts.

This quite unusual understanding of the diverse needs of the nation stems from the fact that the men at the helm of the Lao state, whether they come from the common people or from the formerly privileged social groups, know in every detail the life of the nation which they govern as well as its aspirations, ambitions and potentialities. This is shown by the way they carried out the many years of struggle and their present activity in managerial organs of the government, and even by their literary and artistic creativeness.

Among interesting and pleasing curiosities one may note that many LPDR Government members and state officials are dabbling quite successfully in belle lettres. The beginning of their creative work dates from the years of struggle and life in the liberated area. There came into existence then many songs and novels. Very popular in those years were small lyric poems called "konlam," sung to the accompaniment of a Laotian folk instrument called a "khene." Great contributions to the development of various forms of literary and artistic production of those times were made by Phoumi Vongvichith, vice premier of the government and minister of education, Khamma Phomkon, vice minister of industry and commerce, Somsideth, and many others. The Lao national anthem was composed by Sisana Sisane, minister of information, propaganda, culture and tourism --the very same person who in the euphoria of the December 1975 victory said with a well-grounded hope to foreign journalists: "The time will come when there will no longer be among Laotians such persons who have not known the joy of reading." The author of the first modern Laotian novel ("The Little Si") is Khamliang Pholsena, vice minister of health. The velvety white-pink flowers called "champa," which are one of the Lao national symbols, are extolled by Outamma Choulamany, vice minister of education and author of a popular song about this flower entitled "Dok Champa."

These examples illustrate an interesting phenomenon, which is a result of the undoubted talent of the authors and a definite state of mind, engendered in a revolutionary atmosphere. The literary production being discussed was also an answer to the requirements of times marked by the universalism of the leaders of social movements. It was much the same in many other earlier historic events, such as the French Revolution, the Springtide of Nations, and the Great October Socialist Revolution.



Among the representatives of the young Laotian generation contributing its share toward the task of consolidation of the popular revolutionary state there is no lack of descendants of the old princely families. Admittedly, Prince Souphanouvong, having become the first citizen of the republic, gave up his hereditary title; nevertheless, from the viewpoint of genealogy, his children are also authentic princes. But how different are they from our conception of this usually privileged social group! Personal acquaintance with the majority of the president's sons and with his charming daughter Notkeoani permits me to define their two distinguishing traits, self-evident even if one meets them only cursorily. The first is their thorough and versatile education, including knowledge of several foreign languages, and the second--a quite unusual zeal in the performance of the duties entrusted to them. All this with not a shade of any claim to exceptional personal status, at least in the area of privileges. For this exceptionality is perceptible with regard to their duties, especially their wide range, which for the already-mentioned Phansaya begins with the function of a government interpreter and manager of a laboratory, and ends with his role of amateur pop singer and a football player. I also felt that deep, authentic attachment to the republic when Phansaya's brother Vietvan explained to me in the Wattay airport, while waiting for the arrival of an important delegation, the symbolism of the LPDR state flag. The two oblong red stripes at the edges of the flag symbolize the struggle of many years for freedom and the blood shed on the battlefields, including the blood of his father, who was wounded at Thakhek and carried from the line of fire by General Sinkapo, the present minister of communication. The central navy blue strip denotes the dream of peace of a nation worn out by war. The white circle in the center of the navy blue stripe, and therefore of the entire rectangular flag, marks the unity toward which the multinational society of Laos aspires.

1015

CSO: 2600/795

## GOVERNMENT'S 'LOOK EAST' POLICY TO CONTINUE

Kuala Lumpur NEW STRAITS TIMES in English 6 May 84 p 1

[Article by Kamrul Idris]

[Text]

**KUALA LUMPUR, Sat.**— Datuk Seri Dr Mahathir Mohamad today pledged a continued commitment to the Look East policy and warned critics against swaying Bumiputeras away from it.

"The Government will not abolish the Look East policy. On the contrary, the Government feels the policy is pertinent and has already brought in the desired results," he said.

"Do not attempt to provoke Bumiputeras into resisting this policy," he said when declaring open the Dayabumi Complex, the 35-storey blue-ribbon construction project dominating the city skyline.

The Prime Minister said satisfactory transfers of technology had taken place and dismissed charges by local contractors that Japanese and Korean firms reneged on contract promises involving training.

"Malaysia will certainly get a lot of benefits

from the Look East policy. Since the policy was launched many of our trainees have gone to Japan and South Korea and into firms in both countries.

"What cannot be denied is that before the policy, building and supply contracts had also gone to other countries, but without any scheme or organised and large-scale training programmes by those who had gained from those contracts."

Problems relating to contract terms or standards of service from foreign parties should be reported to supervisory authorities and settled through consultation, Dr Mahathir said.

He advised a more open approach in solving disputes — "Let us not become too sensitive...where we could even be wrong."

"I have found too many mistakes because we do not come forward for fear of causing offence," he said.

Dr Mahathir further endorsed the policy by

citing examples of local firms which, after participating in Look East, were now able to produce technology-intensive specialised building material.

He also credited the policy for extensive on-site training and for passing on advanced project management techniques to local managers, technicians, engineers and craftsmen.

The Prime Minister defended contract awards to Japanese and Korean firms in spite of their higher offer bids by underscoring their "past performance", work credentials and other factors. He was also replying to criticism which he said had epitomised the "defeat of the Look East policy" in the Dayabumi building.

He related instances of enormous cost overruns in conventionally contracted projects and praised the now-common turnkey packages as "effective" and yielding quicker returns by finishing on time.

NEW PROJECTS PROVIDING 10,700 JOBS APPROVED

Kuala Lumpur BERITA HARIAN in Malay 11 Apr 84 p 1

/Article: "10,700 Jobs in New Projects"

/Text/ Kuala Lumpur, Tuesday /10 April/--The government has approved 151 new projects involving a total investment of 831.5 million Malaysian dollars and providing 10,703 /as published/ jobs in the first 3 months of this year.

This was announced today by His Excellency Ahmad Rithauddeen, minister of trade and industry, who said these additional projects demonstrate that foreign and domestic investors have confidence in the country's political stability and the restoration of its economy.

The number of project approvals was 69.7 percent higher than the 89 projects which were approved during the same period last year, and investment increased by 72.9 percent over the 480.8 million Malaysian dollars invested last year. Of the total equity, 159 million Malaysian dollars were specifically allotted to indigenous investors.

During this period, 196 applications were submitted involving 2.501 billion Malaysian dollars.

Of the total projects approved, 42 or 27.8 percent will be located in the less advanced states in line with the policy for distributing enterprises throughout the country.

Wood Products

Of the total projects approved, 24 were approved for the transportation equipment industry with an investment of 58.7 million Malaysian dollars, 16 for the wood and wood-product industry (102.6 million Malaysian dollars investment), 15 for the plastics product industry, 14 for the nonmetal products industry, and 9 for the chemical and chemical byproducts industry. This covers all kinds of manufactured items.

Of the projects approved, two will be located in Kuala Lumpur and one wood-product project will be located in Kelantan. The investment for these projects totals 399 million Malaysian dollars. Capital for the Cosmpolite Hotel Kuala

Lumpur Sdn /private business company/ Berhad /corporation/ project totals 180 million Malaysian dollars, for the Sri Pacific Corporation 168 million Malaysian dollars while investment in the wood-product complex in Kelantan totals 51 million Malaysian dollars.

His Excellency Rithaudeen said of the 831.5 million Malaysian dollars capital investment, 312.2 million Malaysian dollars consist of accumulated capital reserves of which 268.7 million Malaysian dollars, or 86.1 percent, consists of Malaysian venture capital while the remaining 43.5 million Malaysian dollars or 13.9 percent consists of alien venture capital.

Forty-five of the projects, or 29.8 percent of those approved, will export at least 50 percent of their total production. They include 21 projects which will export 80 percent of their total production.

6804

CSO: 4213/213

## BRITISH INVESTMENT IN MANUFACTURING TO INCREASE

Kuala Lumpur BUSINESS TIMES in English 5 May 84 p 1

[Article by Cynthia Khoo]

[Text]

BRITISH investment in both commodity and manufacturing industries in Malaysia has increased and will continue to do so, according to Mr Kenneth Baker, British Minister of State for Industry and Information Technology.

Mr Baker, following an initial brief visit to Sabah, was here on May 1-4 to conduct talks with the Ministries of Trade and Industry, Energy, Telecommunications and Posts, and Education. He led a trade delegation which included bankers, computer manufacturers, civil engineering and water industry representatives.

"British businessmen have become more aggressive; they recognise that vast opportunities are to be found in Malaysia, centred in one of the most rapidly growing economic regions in the world. Mutual interests would be served by cooperation between our two countries."

Mr Baker's visit focussed mainly on projects concerning the implementation of advanced water purification and conservation systems, upgrading of the existing railway system, and the introduction of a system of education-via-computers in schools.

Feasibility studies on the first two have already been agreed upon and will commence soon.

The cost of the study on railway systems will be met by the British government. The final report will be compared with similar studies made by the French and the Japanese.

In particular, the introduction of a "railbus" system, which is essentially a lighter form of transport applicable in urban and suburban areas and would save on fuel consumption, is being considered.

The other study on water purification and related projects is to be carried out by Biwater Shellabear Ltd.

Elaborating on the introduction of computer-based education, Mr Baker explained that Acorn Overseas had developed a computer with hardware and software capabilities particularly suited to assuming teaching responsibilities in a variety of subjects.

The "BBC computer" is already widely used in Britain as a valuable teaching aid, and its usage and functions will be explained in detail at a seminar to be held by Acorn Overseas soon.

Asked about the Malaysian government's request for a joint-venture micro-assembly plant to be set up, Mr Baker replied that nothing concrete had as yet been decided, but this would be considered in due course following the establishment of the educational computer project.

FEBRUARY INFLATION RATE UP 1.4 PERCENT

Kuala Lumpur BERITA HARIAN in Malay 14 Apr 84 p 16

/Article: "Inflation Rate For February Up 1.4 Percent"/

/Text/ Kuala Lumpur, Firday /13 April/--In February of this year the inflation rate for the Malaysian Peninsula, based on the consumer price index /CPI/, rose 1.4 percent over the previous month of 126.4 percent.

According to the Bureau of Statistics, between February of last year and the same month of this year the CPI rose 6.3 percent while it rose an average of 5.3 percent during the first 2 months of this year.

The slight increase in February was due to a 3.6 percent increase in the group index for food.

Other group indexes which showed a slight rise were 0.2 percent for clothing and shoes, 0.1 percent for rent, fuel and electricity, 0.3 percent for household furnishings, equipment and operation, 0.1 percent for medicines and health expenditures, 0.2 percent for transportation and communications, and 0.6 percent for miscellaneous goods and services.

The group indexes for beverages and tobacco, sports, recreation, and educational and cultural services did not change.

In the food group, according to the Statistics Bureau, the cost of food prepared in the home rose 4 percent and the cost of food consumed outside the home rose 1.5 percent.

Increases in the group indexes for fish, oil and fats and fruits and vegetables were responsible for the rise in the group index for food prepared in the home. The group index for meat fell 1.3 percent while that for milk and eggs fell 0.1 percent.

According to the Statistics Bureau, the 1.6 percent rise in the CPI between February of this year and February of last year was due to the 0.7 percent increase in the group index for food, 2.2 percent increase for the rent, fuel and electricity index, and 4 percent increase in the transportation and communications index.



His Highness also said the rise in the CPI for the first 2 months of this year was due to a 7 percent increase in the group index for food, an 8.3 percent rise in the rent, fuel and electricity index and a 3.9 percent increase in the transportation and communications index.

6804

CS0: 4213/213

# USNO'S EXPULSION FROM NATIONAL FRONT EXAMINED

Kuala Lumpur UTUSAN MALAYSIA in Malay 17 Apr 84 p 8

/Editorial: "Implications of the USNO Expulsion"

/Text/ There are two reasons for USNO's /United Sabah National Organization/ expulsion from the National Front: its opposition to the amendment to the Constitution and its opposition to Labuan becoming a Federated Region. This has a number of implications for Sabah politics as well as national politics.

For Sabah politics, it is not only that USNO has almost ceased to exist for lack of qualified leaders, but it also ends what has been called "thorn in the side politics."

When Berjaya was born, this party and USNO became members of the National Front although USNO became the opposition party in the Sabah State Assembly. This turned the Sabah political situation into one that created problems for the leadership in Kuala Lumpur.

This was evident in every general election where some of the seats had to be apportioned to Berjaya and USNO even though the candidates involved clearly were not representative of the Front in a number of regions.

And in those elections these parties would enter a candidate as an independent candidate to run against the official National Front candidate. For instance, if in Region A the Front entered a Berjaya candidate, then USNO would enter its man as an independent candidate and vice versa.

Although this was done openly and actually the National Front leadership knew about it, not much could be done about it because Sabah politics are like that.

Now, with the expulsion of USNO from the Front, Berjaya's position has not only been strengthened but it is more clear that USNO is an opposition party. USNO now has the job of building its image as an impressive opposition party in Sabah if it wishes to do so.

In the national political context, the expulsion of USNO provides a good lesson for any party component of the Front that tries to follow its own course in opposition to government policy.

If any component operates as USNO has done, it will meet the same fate as USNO. This is a reminder to component memberships that their loyalty is important to the Front leadership.

The USNO expulsion apparently quashed the legend of the power of Tun Datu Mustapha, the man who led Sabah to take part in Malaysia. Granted that his past services are remembered gratefully, nevertheless the attempt to defeat the amendment to the Constitution apparently could not be forgiven by the National Front.

6804

CSO: 4213/213

## GOVERNMENT 'VERY SERIOUS' ABOUT 70 MILLION POPULATION PLAN

Penang THE STAR in English 28 Apr 84 p 4

[Text]

KUALA LUMPUR, Fri. — An inter-department unit would be set up to study all aspects of the implementation of the 70 million population target, Deputy Prime Minister Datuk Musa Hitam said tonight.

Stressing that the Government was very serious in the new population policy, he said a government agency was already studying all aspects of the policy and had already submitted a preliminary report to the Government.

"Government experts would study the report and make recommendations to the Cabinet after which the report will be redirected to the agency for further study along with Cabinet recommendations.

"After the final report had been made, the Government would form a special inter-department unit to collect statistics, conduct research and permanently monitor the implementation of the 70 million population policy," he added.

He said that so far only one agency had been entrusted to undertake the preliminary research work but he declined to name the agency involved.

Datuk Musa, who was speaking at a leadership course organised by Wanita Umno,

said the agency would study all aspects of the population policy.

"The financial aspects, health problems and educational needs will all be studied."

Datuk Musa said that the government was serious in increasing the population of the country "but unfortunately, it is becoming the subject of jokes at forums and seminar."

He hoped that delegates would seriously discuss this policy and not treat it as a joke.

Datuk Musa told reporters later that the policy was seriously considered and researched before it was announced by Prime

Minister Datuk Seri Dr Mahathir Mohamad.

Earlier, Datin Maria presented gold medals to four women who excelled in their studies at local universities.

They are Cik Azizah Haji Nasardin of Penang (Universiti Pertanian), Cik Zainah Hashim of Selangor (Universiti Kebangsaan), Puan Norida Abdul Razak of Johore (Universiti Teknologi) and Puan Noraini Ithman of Perak (Universiti Sains Malaysia).

University of Malaya's winner Miss Elizabeth Mikil of Sabah was unable to attend the function.

CSO: 4200/771

## JAWI NOT REQUIRED IN CHINESE SCHOOLS

Penang THE STAR in English 28 Apr 84 p 3

[Text]

KUALA LUMPUR, Fri. — Jawi will not be a compulsory subject in national-type Chinese schools, Deputy Education Minister Datuk Dr Tan Tiong Hong said today.

The Education Ministry had never forced students to study the script, he added during an open discussion with the three representatives from the United Chinese Schools Teachers Association (UCSTA) and the United Chinese Schools Committee Association (UCSCA).

"However facilities for the study of Jawi should be made available particularly in national schools where the majority of the students are Malays," he said.

Datuk Dr Tan said those

who were not interested in studying the Jawi script need not do so but nobody should stop those students who wanted to.

"We must not prevent students from acquiring knowledge including the skill to learn and write Jawi as this will widen their knowledge," he said.

On the shortage of teachers in Chinese schools, he said there was a shortage of 2,137 teachers and not 9,200 as reported.

"The Ministry is gradually overcoming the problem," he said.

"With 8,800 national-type Chinese schools there is bound to be a shortage of teaching staff," he added. — Bernama.

CSO: 4200/771

## RUBBER TARGET SET AT 2.7 MILLION TON

Kuala Lumpur NEW STRAITS TIMES in English 28 Apr 84 p 9

[Text]

**SUNGAI PATANI, Fri.** — Malaysia may produce about 2.7 million tonnes of natural rubber annually by the year 2000 to offset competition from synthetic rubber in the world market, Datuk Musa Hitam said today.

He said this production target was recommended by a task force set up by the Government to determine future trends and prospects for the commodity from the year 1983 till the end of the century.

The task force had recently completed its report and has made recommendations for consideration by the Government.

The Deputy Prime Minister said this when he opened a national level smallholders convention organised by Umno Youth at Sultan Abdul Halim Teachers Training College here today.

He said the 2.7-million-tonne annual production was necessary in view of the forecast increase to 18 million tonnes per year in the use of both the natural and synthetic

rubber by the year 2000.

By then, he added, the total world production of natural rubber would increase to 7.2 million tonnes per year to strengthen the commodity's position in the international market, especially in competing with synthetic rubber.

"The total production from Malaysia (by the year 2000) has been estimated at 2.7 million tonnes annually, after accounting for the forecast 4.52 million tonnes per year from other natural rubber producing countries."

Therefore, Datuk Musa said, Malaysia had to increase its former level of production at 1.5 million tonnes in 1983 by an additional 1.2 million tonnes.

According to the task force, the targeted production of 2.7 million tonnes per year would be achieved through replanting programmes using better quality rubber clones and the opening of 375,000 hectares of new rubber land by the year 1990.

Of the 375,000 hectares, 100,000 hectares would replace rubber es-

tates and smallholdings which has been transformed and cultivated with other crops.

On rubber smallholdings, 400,000 hectares of the total 1.2 million in the country were not well developed.

As such, replanting programmes should be carried out on these small holdings to ensure their continuous production of natural rubber.

Other recommendations:

- Labour shortage in the smallholdings factor could be through better farm practices as implemented in rubber estates and the use of modern tapping equipment.

- Projects for mini-estates by Rinda and Felcra should instead be undertaken by the private sector on a contract basis to enable the two agencies to concentrate fully on planning and development programmes of such schemes.

- The local consumption of natural rubber should be stepped up to 300,000 tonnes per year by the year 2000.



PASSPORTS SEIZED FOR INVOLVEMENT IN DRUG TRAFFICKING

Kuala Lumpur UTUSAN MALAYSIA in Malay 21 Apr 84 p 4

/Article by Sirajuddin Mokhtar: "322 Passports Seized For Involvement In Drug Trafficking"/

/Text/ Kuala Lumpur, 20 April--The Immigration Service seized 322 Malaysian passports because the bearers were involved in drug trafficking, including trafficking in drugs outside the country from 1980 up to the present time. At the same time, that service has blacklisted 2,309 bearers of Malaysian passports because the bearers were involved in similar activities.

This service has also blacklisted 811 aliens who participated in drug trafficking out of and into this country. Sources close to the Immigration Service informed UTUSAN MALAYSIA that all control agencies in the country have been informed about the backgrounds of passport holders who have been blacklisted and against whom steps are to be taken immediately. The step to be taken against them initially is to seize their passports. Those sources also did not say whether these passport holders were major or minor drug traffickers. These sources stressed that their side had obtained strong information from certain authorities on the backgrounds of these passport holders, and the Immigration Service will only seize their passports.

Regarding holders of foreign passports, these sources also said those individuals were being placed under investigation and surveillance, and steps would be taken if any evidence of trafficking were found. These sources mentioned that some of those holding Malaysian passports who were blacklisted might be women. Touching on bearers of Malaysian passports who went to China without government approval, these sources said that as of 14 March, steps had been taken in 58 cases. They added that 14 cases were uncovered in 1982 and 17 last year. Concerning Malaysian passport holders found to be engaged in smuggling, these sources said that the same measure of seizing passports would be taken if evidence of such activity were obtained.

This information was obtained from the authorities, who by seizing these passports, ensure that their bearers will not again engage in smuggling and similar activities.

LABOR PRESIDENT: PUBLIC LACKS 'CLEAR PERCEPTION' OF PARTY

Auckland THE NEW ZEALAND HERALD in English 28 Apr 84 p 1

[Text] The Labour Party president, Mr Jim Anderton, claimed last night that the lack of clear perception of what a Labour government would stand for was hampering Labour's political ambitions.

That lack, he said, was "preventing us from wiping a failed, discredited and clearly crumbling National Government clean off the face of the political map of this country."

Mr Anderton told about 150 people at the party's Auckland regional conference that there was some confusion in the public mind about what Labour really stood for. Labour was struggling to a three or four-point lead in public opinion polls.

To create a clear image, Labour would have to speak specifically and simply about its vision for New Zealand and its people, he said.

Oldest Party

Mr Anderton criticised those, including some in the Labour Party, who promoted the "myths and legends" surrounding the concept of the free market.

Unfortunately, he said, there was a general view that Labour, being the oldest political party in the country, had policies which could be out of date.

Asked to comment later on Mr Anderton's speech, the Leader of the Opposition, Mr Lange, said: "I think it is time for us to take more positive stock of ourselves remembering we are 13 percent better off now (in public opinion polls) than we were in 1978 and 11 percent better off than we were in 1981.

"As far as I am concerned, my business is building up the party."

#### Committed

Mr Anderton said the Labour Party looked to a future of great promise for all New Zealanders, and rejected as doomsday-type rubbish any suggestion that there was anything inevitable about human affairs whether it be unemployment or nuclear warfare.

Labour was committed to democratic principles, free elections, freedom of information and a free press.

It stood for New Zealand's resources being used and conserved for both present and future generations of New Zealanders, as well as economic and social justice and equality.

The party stood for a cooperative rather than competitive society where all people were entitled to individual respect and dignity; basic human rights, protected by the state, for all people, regardless of race, sex, marital status, sexual orientation, age, religious faith or political belief.

"What we have been suffering, particularly in the past nine years, is a poorly concealed policy to enhance the income and standard of living of the affluent," said Mr Anderton.

A new Labour government had to raise the living standards of those most in need in New Zealand, not increase the size of the already yawning chasm between the rich and the poor.

"It must attack the whole idea that unemployment is with us to stay, or that it should be used as an economic weapon in any Government's political programme," he said.

Labour had pledged to provide again for a system of unqualified preference and give the interests, needs and concerns of New Zealanders priority when planning the economic direction of the country, not multinational companies of "rip-off merchants and speculators."

#### Mythology

Labour had to plan for investment and allow for creative initiatives while restoring social services in the areas of health, education and housing.

"To achieve these goals we must examine and then, in my view, discard some of the economic mythology that surrounds current National Government policies, and occasionally even seems to affect some members of our own party," said Mr Anderton.

"Much of it flies in the face of our experience in the real world and certainly defies common sense."

Mr Anderton said the most significant of these myths and legends was the concept of the free market, the purity of free enterprise and the magical quality of free market forces to bring prosperity for all.

"These concepts are surely held by people who live in a dream world of 18th century Adam Smith free traders or believe in a flat earth and unidentified flying objects.

#### Dump Basket

Mr Anderton said the proponents of this "economic rubbish" should say where the free markets were before insisting that New Zealand became one.

Anyone believing that New Zealand should become the free market of the world for other nations to use as a dump basket, was asking New Zealand to "adopt a recipe for social and economic disaster and it is about time that we, or some of us at least, started saying so."

Mr Anderton said knee-jerk reactions to the old bogey of imports controls were not good enough.

"Proposers of free trade should tell us where else in the world this operates," said Mr Anderton.

"They should then compare the results of our current economic programme which has resulted in 120,000 unemployed after nine years of gruelling unemployment peaks, with what has happened in New Zealand in the past when policies similar to those I am advocating have been followed."

Mr Anderton said New Zealand needed policies which governed for everybody and not primarily for the advantaged few.

CSO: 4200/770

REGIONAL LABOR PARTY CONFERENCE REJECTS ANTI-ANZUS CALL

Wellington THE EVENING POST in English 30 Apr 84 p 14

[Text] Labour Party delegates in Auckland rejected calls for withdrawal from the Anzus military alliance after a plea by the Te Atatu MP, Dr Michael Bassett.

Some of the party's regional conference supported a call for Labour's affirmation of its abhorrence of nuclear weapons and for a Labour government to withdraw from all military alliances with nuclear powers.

But Dr Bassett called for a more considered approach and delegates decided by 62 votes to 53 that Labour should seek to redefine its relationship with Anzus to make it consistent with Labour's nuclear-free policy.

Dr Bassett said he did not think anyone in the Labour caucus or elsewhere in the party was satisfied with New Zealand's existing relationship with Anzus.

Forum

Though people would feel good about a formal New Zealand withdrawal from the treaty, the opportunity to continue to use the Anzus forum to advantage would go, he said.

The annual Australia, New Zealand and United States conferences would end and New Zealand would not have a chance to push its attitude on general foreign affairs.

Dr Bassett said that once Labour's nuclear-free policy was in force, the dangers of New Zealand being hit as a nuclear target during a war would have been removed and that particular problem would have been taken care of.

A call for the next Labour government to recognise officially the Palestine Liberation Organisation as a legitimate representative of the Palestinian people provoked impassioned debate.

## Mid East

While one speaker said the Labour Party should support the view that the PLO and the Palestinian people should have the right to self-determination, another delegate said the PLO was "the most bloodthirsty terrorist organisation that exists in the world today."

The conference approved an amended remit submitted by the MP for Roskill, Mr Phil Goff, that it endorse the party's policy on the Middle East.

Mr Goff explained that the annual conference last year urged that a Labour government support measures to promote peaceful resolution of the Middle East conflict which recognised both the right of Israel to security and the right of the Palestinians on the West Bank and Gaza to self-determination and condemned colonisation of the occupied areas on the West Bank by Israel as wrong and an obstacle to a permanent peace settlement.

CSO: 4200/770



DAILY HAILS AGREEMENT TO SHED IMPORT QUOTAS

Auckland THE NEW ZEALAND HERALD in English 30 Apr 84 p 6

[Editorial: "A Bid To Shed Quotas"]

[Text]

Import licensing will soon have endured — with one short-lived and vain dash for freedom in the 1950s — for half a century. Intended originally as a temporary measure, such controls have remained consistently controversial.

Thus the agreement this month between the Government and the Manufacturers' Federation to eliminate most remaining import quotas in favour of tariffs represents a landmark in national trade policy. That it has not already been more widely hailed probably represents a certain commercial scepticism, born of past disappointments at pious professions of policy.

This time the Government does seem to mean business. Several qualifications nevertheless remain. Much may depend upon which political party wins the general election now little more than six months off; Labour originally fathered the licensing system and preserves a certain paternal fondness for it.

More particularly, perhaps, the covenant recently forged still needs ratification by regional and specialist manufacturing groups. Experience alone suggests many a slip in earnest efforts to dismantle an apparatus which has visited much distortion upon the economy.

Yet some progress has already been made. The licensing schedule now accounts for no more than about 23 per cent, by value, of all imports. Two years ago, New Zealand vowed contractually, under the Closer Economic Relations pact, to end licensing of imports from Australia by 1995. The deadline seemed quite comfortably distant; "manageable" was the way officialdom put it.

Then the budget last year confirmed that the state had temporarily (familiar phrase) suspended further liberalisation of general import licensing policy because of "the effects of recession and the extent of potential import competition through CER."

Now the talk is of substituting duties for quantitative curbs on almost all imports, and by about 1990. So why the apparent acceleration? Recession has induced a new degree of national cost consciousness. An awareness of the enormous but covert costs of industrial protection has grown.

Such shelter from competitive efficiency and the costs it carries have, in turn, a reciprocal effect on export competitiveness. Ironically, CER seems to have raised, on second thoughts, concern to compete harder in the domestic market, too.

Yet merely to substitute over-protective tariffs for mollycoddling import controls would afford little lasting help. It would certainly offer no relief from Australian competition in the domestic market, since CER should soon wipe out most tariffs on Tasman trade anyway.

CSO: 4200/770

## GOVERNMENT EASES FREE RESERVES MARGIN FOR TRADING BANKS

## Muldoon Rewards Cooperation

Auckland THE NEW ZEALAND HERALD in English 27 Apr 84 p 1

[Text]

**The Government yesterday responded to a fall in trading bank lending growth below the 1 per cent a month guideline by easing the free reserves margin by \$100 million.**

This in effect ends the penal borrowing the banks had to make from the Reserve Bank in March.

The lower lending growth reduces the multiplier effect on the money supply growth.

The move is not connected with the warning by the Minister of Finance, Sir Robert Muldoon, that he is contemplating further interest rate controls.

In March and April, the reserve asset ratio of the trading banks was set on the basis of a free reserves margin of minus \$50 million to encourage the banks to reduce significantly their lending growth.

**Commended**

Sir Robert said that "it is clear that the trading banks have significantly reduced the rate of growth of their lending and have also made efforts to reduce the growth of their credit limits."

In welcoming this reduction, he said that the tight ratio policy clearly had achieved its goal and that the ratio would now be eased a little.

He commended this example of co-operation with the Government's policy to other financial institutions which he said were continuing to lend in breach of the 1 per cent a month credit growth guideline.

The free reserves margin used in setting the May ratio is plus \$50 million.

Given this policy stance, and estimated reserve asset movement in May, the actual ratio to apply in May is to be set at 31 per cent of deposits. The fact that this ratio level is higher than the 28.5 per cent in April

reflects the underlying seasonal movements in reserve assets in May.

The system is recovering from the tax payments.

Sir Robert added, however, that "despite this easing of ratio policy the Government is not prepared to tolerate a renewed expansion of trading bank lending and the banks should be warned that the Government will not hesitate to act again to ensure that trading bank lending remains within the guideline."

**Increased**

Latest Reserve Bank figures for the week to April 11 show that there was a drop of \$162.2 million in the week bringing the total lending to \$6760.7 million — the first drop in two months.

The last time a drop in bank lending was recorded was for the week to February 22. Since then lending has steadily increased by nearly \$500 million.

The latest figures show that total loans advanced as a proportion of total deposits, excluding compensatory deposits, is 84 per cent.

This was also the first time the ratio of lending to deposits had dropped since February 22.

For the week to April 11 demand deposits were \$2514.8 million. Time deposits of \$5534.2 million and compensatory deposits of \$667.5 million bring total deposits to \$8716.5 million compared with \$8843.7 million the week before.

— Business Staff and Wellington Bureau

Christchurch THE PRESS in English 28 Apr 84 p 16

[Editorial: "Reward to Trading Banks"]

[Text]

In spite of changes to the reserve asset ratio and the free reserves margin for trading banks (reported on page 21), the banks will have an easing of some of the pressure on them. The public will not find it much easier, if any easier, to borrow. In coming weeks, however, the banks are likely to have a good supply of deposits from seasonal export earnings. To some extent, the trading banks are being rewarded because they have managed to keep within the 1 per cent guideline for credit growth each month laid down by the Minister of Finance and Prime Minister, Sir Robert Muldoon. Hitherto, they have generally exceeded the guideline.

They were punished two months ago by having a free reserves margin of minus \$50 million imposed on them. This meant that, if they had more money than they were allowed under that formula out on loans, they had to cover these loans by borrowing from the Reserve Bank. The interest rates imposed by the Reserve Bank on such borrowing have not been announced but the rates are intended to be penalties and to make the banks conform as quickly as possible to Government policy on the matter. Having conformed, they may not need to borrow from the Reserve Bank during May.

The Government is eyeing two bank activities with considerable care at the moment. The first is any growth in money supply. The growth in credit has been set at 1 per cent a month, though not by regulation. In the Government's view, the imposition over the last two months has effected a cure. There was a sting in the tail of the announcement about the reserve asset ratios and the free reserves margin. Banks were warned that, if their loans increased too rapidly, other measures would be taken against them.

The other aspect being watched by the Government is interest rates. On the whole the trading banks have conformed to the regulations on mortgages. The Government has not regulated other interest rates for lending, but is watching them closely.

Some merchant banks and finance companies have been borrowing at higher rates

of interest than the Government wants. Apart from wanting lower lending rates generally, the Government has to cover its internal deficit and does not want too much competition for funds. Some of that pressure for funds has eased slightly and the Government is watching lending rates. It must be expected that when the Government wants to control the interest rates at which finance houses and merchant banks borrow, it will want to set limits on the rates at which they may lend. This is a fairly effective threat against finance houses and merchant banks because they could find themselves with money borrowed at a higher rate than the rate at which they are allowed to lend. The Minister of Finance has been free in using regulations, but warnings may have the same effect as regulations and he will not use his regulatory powers. The merchant banks will doubtless take note of the way in which the trading banks were persuaded to conform with the Government's intentions. In theory, borrowers from merchant banks presumably think that their businesses can stand the interest rates that they accept. Yet there is a large gap between the inflation rate and some interest rates. The reason is probably that expectations of inflation are still high. The Government is attempting to correct what it considers a mistake in the thinking of the financial community about inflation just as it has tried to destroy expectations of inflation among wage and salary earners through the wage freeze.

Expectations of inflation are not the only psychological aspect to what is happening. After the long period of high interest rates investors have to attune themselves to the restraints and they are not likely to go past short-term investments with the financial houses. The interest rates for long-term investment are not attractive and the institutions are not prepared, or able, to offer rates with which they may be unprofitably stuck a year or so hence. The whole financial scene therefore tends to be a month-to-month affair: all parties jockeying for position on a track that the Government has declared will be slow

## DAILY REPORTS 'NIGHTMARE' OUTLOOK FOR MUTTON TRADE

## USSR Policy Prompts Concern

Auckland THE NEW ZEALAND HERALD in English 27 Apr 84 p 1

[Text]

**The outlook for New Zealand mutton appears to be assuming a nightmare aspect, with prospects moving from bad to worse.**

The Soviet Union, the major buyer of the meat in recent years, has started applying a rule that it will not accept meat more than three months old.

The Meat Board said yesterday that it was very worried by the development.

It is talking with the Government and there are hopes that a Soviet team can be brought to New Zealand to discuss the problem.

### Little Favour

However, there are no signs that the Soviet Union will buy New Zealand mutton this season anyway, which could leave more than 40,000 tonnes of meat without a home.

Talk that some of the meat could finish up as aid to Third World countries does not appear to be winning much favour in meat industry circles.

It is pointed out that New Zealand could not afford to incur any further costs such as seafreight on a product already being produced at a considerable loss.

Without taxpayer and meat industry support, farmers would get a bill of \$3.50 for every ewe sent to the works this season.

### No Signs

The Meat Board also doubts if meat could be sent to many of the countries that might benefit, because they do not have the coolstore systems necessary for handling a frozen meat product.

So far there have been no sales of mutton to the Soviet Union this season and there are no signs that orders will come.

The Soviet Union imported 52,297 tonnes of New Zealand mutton last year, out of total mutton exports of 94,829 tonnes.

The board secretary, Mr M. W. Calder, said the problem with the three-month age condition started appearing in February, when the last mutton shipments of last year's sale came under some suspicion.

He said he understood

the Soviet Union had actually turned back some EEC shipments because of the same rule.

The rule had been in place for some years but had not been applied.

Mr Calder said the board hoped to try to convince the Soviet Union that the rule was not very valid but, knowing the Soviet Union, that would take some time.

The Meat Board says it does not know why the Soviet Union set a three-month age limit.

New Zealand research shows sheepmeat can be held frozen for two years without problems.

### Production

One reason suggested yesterday was that the Soviet Union has found itself in a powerful negotiating position and is applying the screws.

The reason is that Soviet meat production last year has been reported as the best for five years.

Meat output in the first nine months of last year was put at 12.3 million

tonnes, 682,000 tonnes more than in the same period in 1982.

If the Soviet Union can make do with less imported meat this year, the question must arise as to where New Zealand's mutton and the EEC's reported 300,000-tonne beef stockpile will find a market.

### Pet Food

The economics of New Zealand mutton production have already been described as "horrifying" by the board, which is engaged in a study to try to find ways of alleviating the problems.

The board is looking at a variety of solutions. Internally these include rendering down some carcasses, having some made into pet food and perhaps selling some cuts on the New Zealand market.

One of the problems still being discussed with the Government is whether the board would have to give back the taxpayer subsidy on export meat given in the form of supplementary minimum prices.

SMP payments on mutton were only \$12 million last season but could soar to as much as \$53 million this year, as the Government makes up the difference between the 12c a kilogram the board guarantees farmers and the 51c a kilogram SMP guarantee.

## Danger

The Labour Party spokesman on overseas trade, Mr Mike Moore, has described the Soviet Union decision as a "disaster for New Zealand."

It showed the danger of relying on a single purchaser for most of the sales of vulnerable product, he said.

Mr Moore suggested that the Minister of Overseas Trade, Mr Cooper, should extend his present European trip to explain to the Soviet Union that there was no difference in the quality of the mutton if it had been frozen for one month or one year.

## USSR May Still Buy

Auckland THE NEW ZEALAND HERALD in English 30 Apr 84 p 3

[Text]

### NZPA Wellington

A Soviet Embassy trade official says there is no reason to suppose the Soviet Union will not be in the market again to buy New Zealand mutton.

The official, Mr Albert Tunis, said yesterday that requirements of internal Soviet trade determined the need to buy, and when this occurred the country looked for the best deal.

Price was a consideration, and New Zealand mutton was not always the cheapest available, he said. However, New Zealand would be considered.

The embassy has also commented on the recent decision by the Soviet authorities to enforce a long-standing policy that all

meat purchased be shipped within 90 days of slaughter.

The embassy said the Soviet Union continued to regard New Zealand as an important trading partner and as a traditional supplier of high-quality mutton.

The Soviet Union's wish to ensure thorough sanitary and veterinary control of imported meat "must be understood better in New Zealand than anywhere, as there are very strict regulations for agricultural imports into New Zealand," the embassy said.

"We do not think that a big stir, which is being artificially whipped up around the routine sanitary regulations for import into the USSR, in any way promotes the maintaining of a broad and mutually beneficial trade relationship."

The embassy said contracts for mutton stipulated shipment date regulations "and this clause in the contracts has never caused any objections on the part of New Zealand and normally has been strictly observed."

Mr Tunis said he did not know about a Meat Board official being sent to the Soviet Union in a bid to persuade authorities to relax the regulation, but an official would be welcomed.

The board had said on Friday that its marketing group manager, Mr Don Harwood, would visit Moscow next month.

Mr Tunis said that if the Soviet Union was asked to send experts to inspect New Zealand freezer and storage procedures, as suggested by the board, this would be recommended.



**MORE REFUGEES FLEE IRIAN JAYA**

Port Moresby PAPUA NEW GUINEA POST COURIER in English 1 May 84 pp 1, 2

[Article by Babani Maraga]

[Text]

**More than 4500 Irian Jaya border-crossers are now in PNG, including an estimated 2660 who crossed into Western Province since the Easter weekend.**

**And the Foreign Affairs Department is expected to receive K22,800 from the Indonesian embassy this morning to help cover costs of feeding the border-crossers.**

**The Indonesian Government last week agreed to share the costs of looking after the crossers.**

"This is the first time they've actually decided to do this," the Foreign Affairs Minister, Mr Namaliu, said yesterday.

Mr Namaliu said the Indonesian Government also instructed the Vice-Governor of Irian Jaya "to make arrangements to receive the crossers and for one of our (PNG) officials to witness the reception."

The charge d'affaires at PNG's Jakarta embassy, Mr Sebulon Kulu, would be present at the various locations where the border-crossers were to be resettled.

The Government is yet to confirm figures of 1900 Irian Jayans who crossed into Komopkin, near Ningerum, and 760 at Benlim, near where the Alice River flows into the Fly River, in Western Province.

The Foreign Affairs and Trade Secretary, Mr Paulias Matane, yesterday said these figures were "unconfirmed and could be less."

Mr Matane said an official confirmation would normally be done by actual head count.

Mr Namaliu yesterday said there were now 759 crossers at Vanimo, 800 in Mamamura village and its surrounding area

and 440 at the Kamberatoro Catholic mission station in West Sepik Province.

However, the Kamberatoro total rose to 510 when another 70 crossers arrived at the mission station on Saturday, according to Bishop John Etheridge of Vanimo.

About 100 more crossers are understood to be in the Green River area of West Sepik and a police spokesman has confirmed that about 51 were at Panigan village.

Most of the new crossers are believed to have fled in fear of Indonesian troops reportedly checking Irian Jaya bor-



der villages for OPM rebels.

Sources near the border quoted some of the inland crossers as saying that Indonesian troops were "spraying their villages with machine-gun fire" but there were no casualties reported.

PNG was now waiting on Indonesia to finalize its arrangements before they could begin repatriating the Irian Jayans back to their homes.

Indonesia was expected to provide sea and air transport for the repatriation but the vast majority who crossed further inland would be taken to their "entry points" and sent back.

Mr Namaliu said he expected the inland

crossers to be repatriated first because some of those at Vanimo were still awaiting court rulings over appeals against their convictions for illegal entry.

PNG wanted the United Nations High Commission for Refugees — which has so far spent about K35,000 to feed the border-crossers — to be involved in the repatriation, but Indonesia objected.

Mr Namaliu also said three policemen, one of Javanese origin, and a teacher from the Irian Jaya border station of Sotar were being charged by police in Daru, Western Province, for illegal entry into PNG.

CSO: 4200/769

COPPER MINING TO BE DELAYED

Port Moresby PAPUA NEW GUINEA POST COURIER in English 7 May 84 p 3

[Article by Noel Pascoe]

[Text] Copper production at the giant Ok Tedi mine in Western Province, originally expected to start by 1986, has been delayed by at least a year.

Copper was now expected to be mined in mid-1987 or early the following year, Ok Tedi Mining Ltd's general manager Mr Irwin Newman said on Friday.

Mr Newman said holdups in building a 25 megawatt hydro-power plant and the permanent tailings dam for the mine were the main reasons for the production delay.

"The progress to copper production is not quite as quick as expected," he said.

"Right now we are committed to maintaining the program we originally agreed to, subject to physical constraints rather than financial constraints."

He said consultants were expected to recommend to the company sites for the hydropower scheme and the permanent tailings dam by the end of this month.

The PNG Government had insisted on the building of a permanent tailings system as soon as possible to dispose of waste material from the mine.

Mr Newman also said that a decision was yet to be made on the site for an overseas port for the copper mine.

The original site for the hydro plant was abandoned recently as unsuitable and the first selected location for the tailing dam was wiped out by a massive landslide in January, only a month after dispute between the Government and the company.

Mr Newman said copper mining would not start until the hydro plant was built.

"We could not bring on the copper without hydro-power, and it appears as if that will not be until the middle of 1987 or more likely late 1987 or early 1988."

Asked about speculation in Government circles that Ok Tedi shareholders wanted to mine only gold to "cut their risks," Mr Newman said: "There's only a limited amount of gold in free deposit and it might be stretching it to take it more than three years."

"It's not possible to pay off the debt (an expected K776 million) without going into copper production."

He said a decision on the port would be made by directors, on the basis of recent investigations of six sites, including locations in Western Province.

But he cast doubt on threats by the provincial politicians last week that the Fly River, which connects the mine to the sea, could be legislated into the control of the province to govern river traffic.

"That's a legal matter which I'm not really qualified to speak about, but I would think use of the Fly River is subject to formal agreement between the Papua New Guinea and Indonesian Governments because it would seem to be an international waterway."

CSO: 4200/780

PHILIPPINES

MALAYA PUBLISHES SISON ELECTION BOYCOTT MESSAGE

Quezon City ANG PAHAYAGANG MALAYA in English 11-13 May 84 p 5

[Message by Jose MA. Sison "(Political Prisoner)" to the Filipino People: "Luksa ng Bayan"]

[Text] As your fellow militant in the struggle for national liberation and democracy and as a victim of gross violations of human rights, I am in firm solidarity with you in your protest action which you have called Luksa ng Bayan.

It is of urgent necessity that all of us rise to denounce the escalation of massacres, assassinations, summary executions, hamletting, arson, rape, looting, bombings, arbitrary arrest and detention, forced mass evacuation, forced oaths of allegiance and other atrocities and abuses perpetrated by the fascist dictatorship of the US-Marcos clique.

It is correct to denounce the sham elections for a sham parliament as a violation of human rights. Under conditions of fascist dictatorship, elections are a further assault on the sovereign will and rights of the people.

The forthcoming rigged voting exercise is intended to prolong the existence of the fascist tyranny and endorse the intensified oppression and exploitation of the people.

But as we rise and intensify our resistance, we can frustrate the enemy's campaigns of violence and deception and at the same time strengthen the forces of democracy.

We mourn the brutal suppression of democracy by the Marcos regime. But we transform our grief into revolutionary courage. We are resolutely doing all that we can to expose the cruelty and chicanery of the enemy so as to help build the strength of the people in the struggle to liberate themselves from tyranny.

It is appropriate that from Plaza Roma you will march to Plaza Ferguson in front of the US Embassy. We must condemn the evil conspiracy of US imperialism and the Marcos fascist puppet clique against the national and democratic interests of our people.

We should not be misled by the false promise of change toward democracy within the confines of processes controlled and manipulated by US imperialism and its local reactionary puppets.

The Filipino people themselves, especially the oppressed and exploited masses, must take their own democratic initiative and wage all forms of struggle in order for them to achieve freedom, justice and democracy.

I regard your protest march as an important sign for the inevitable defeat of tyranny and the victory of democracy in our country. The struggle of the entire people is clearly advancing when women in ever increasing numbers are already marching and joining other actions for the cause of national liberation and democracy.

Unite and fight for national liberation and democracy!

Down with the US-Marcos dictatorship!

Condemn all fascist atrocities and abuses!

Long life the Filipino people!

CSO: 4200/783

UNITED COCONUT PLANTERS BANK MERGES WITH TWO RURALS

Cebu City VISAYAN HERALD in English 10 May 84 pp 1, 4

[Text] The United Coconut Planters Bank (Cocobank), the country's first private universal bank, recently tied up with two more rural banks, thus increasing to 15 its rural bank and thrift bank tie-ups.

Cocobank's recent investments were with the Rural Bank of Tagkawayan in Quezon and with the Rural Bank of Tayasan in Negros Oriental.

Cocobank invested P5 million in each bank.

The investments will help boost the growth and development of the agricultural sector in Quezon and Negros Oriental.

Agriculture is the dominant economic activity in the two provinces.

About 21 percent or 181,125 hectares of Quezon's total land area of 870,660 hectares is planted to crops, mainly coconut and rice.

In Negros Oriental, on the other hand, combined agriculture-fishery-forestry sectors accounts for 75.6 percent of the total employment in the province.

The personnel of the two rural banks will also be given extensive training and seminars on universal banking activities.

Noli B. Bajada, vice-president of Cocobank's rural and thrift banking division said: "The transfer of our management and technical expertise to rural banks will improve banking services in the rural areas and contribute to the economic development of the countryside."

He said that part of Cocobank's investment will be lent out to the other major industries in the two provinces such as logging, fishing and mining.

CSO: 4200/783

SUGAR INDUSTRY FACES 'PARALYSIS,' BENEDICTO BLAMED

Cebu City VISAYAN HERALD in English 10 May 84 pp 8, 10

[Article by Edgar Cadagat, VH Bacolod Correspondent]

[Text] Bacolod City--Non-payment of sugar at the time the crop loans have been exhausted with the inability of planters to meet the payroll of their workers meaning that plantation work will come to a standstill with the sugar mills unable to mill, is about to result in a state of paralysis for the sugar industry, says the New Alliance of Sugar Producers (NASP), in a statement released the other day.

In the statement signed by President and Chairman of the board, Hortensia Starke, NASP pointed out that with the freeze in the implementation of the free trading scheme, sugar producers "are not getting the kind of freedom they seek with the promulgation of PD 1905 which put an end to the seven years trading monopoly of PHILSUCOM-NASUTRA and after the declaration of PD 1918, postponing the implementation of the Free Sugar Trading to August 31, 1984.

This came about, NASP said, because of PHILSUCOM chairman Robert S. Benedicto's announcement that NASUTRA has no money at present to advance sugar producers until their sugar has been sold and paid for by traders.

Planters have been complaining that they have not been paid for their sugar milled in the different sugar centrals. Complainants include those who have willingly signed up with NASUTRA and those who opted out.

NASP questioned NASUTRA's contention that it has no money to pay for planters' sugar.

It contended that according to reliable information it received, there are lots of buyers of domestic sugar with ready cash. There is also, it said, a "long list of interested buyers for brown and white sugar for both the U.S. and the world market.

"We also know that Letters of Credit are negotiable instruments with local and foreign banks which have a lot of pesos and dollars to spare," NASP averred.



Adding, NASP stressed the fact that PHILSUCOM as the regular regulating body has no problem ratifying export licenses and approving shipping schedules and controlling bulk terminals, warehouses, trucking and buying facilities.

The independent planters' association disclosed that in the opinion of one Bank of America official is that if there is sugar, it is convertible into cash.

NASP then went on to assail PHILSUCOM chairman, Benedicto for delaying the payment of sugar as a political strategy to financially squeeze planters so that such payment would not be used by them to support their favored opposition candidates. Whatever funds it can accumulate is not being used to pay planters but will be used to oil the KBL party machine of which Benedicto himself is the regional chairman and national treasurer.

NASP categorically assailed President Marcos and Benedicto for bringing "havoc on this once pillar of the sugar industry."

It has come to this, it said, because only both of them have arrogated unto themselves the power to make decisions on the fate of the sugar industry.  
(EAC)

CSO: 4200/783

MOVE TO TOPPLE PREM GOVERNMENT NOTED

BK301221 Bangkok SU ANAKHOT in Thai 20-26 May 84 pp 9-14

[Report: "Green Light for Toppling Prem"]

[Excerpt] Current political developments are apparently pushing the ruling groups both in government and military circles toward a major crisis. Based on information made available by many parties, including those working for the government and political observers, SU ANAKHOT has come up with the following, precise story of the present political game.

Superficially, one would think that the opposition is just doing its normal duty. However, the real motive behind the move reveals the effort to shake the political and military power centers and partly to dismiss General Prem from his top position in the country's administration so as to render state power to some military groups. The whole story is considerably complicated... [ellipsis as published]

Formerly, there was the cooperation between Big Chiu [Lt Gen Chawalit Yongchaiyut] and the opposition Chat Thai Party in carrying out some political undertakings. The opposition party obviously strayed from the line drawn up by the people behind it when it launched the no-confidence campaign against the government outside of the parliament which led to the cancellation of the plan to topple General Prem's government.

SU ANAKHOT has received reports on sightings of the meeting between military people and senior members of the Chat Thai Party in Soi Ratchakhru during the early period of 1984.

But the failure of the plan to topple the government can also be attributed to the military.

One problem is that the military is unable to find a capable person to succeed General Prem. General Athit still lacks sufficient support from the military and will find it difficult to recruit personnel to work for him.

In early 1984, the government under the leadership of General Prem was heavily criticized for its inability to tackle economic problems. The economic chaos during that period led politicians under the Chat Thai Party's banner and the

political brains who once served the Praphat-Thanom regime to the conclusion that the problem could be tackled by getting rid of "the problem maker," and they agreed that "General Prem was the problem maker." Consequently, General Prem became the target of attacks from all sides. They shared the same opinion that General Prem had wrongly handled the country's affairs and caused economic chaos. Worse still, he had placed himself above all conflicts, fostered opportunism in all firms, and lacked decisiveness and good judgment.

During the period from January to February, General Athit Kamlang-ek was reported to have met with Major General Chatchai Chunhawan and senior politicians who were active during the Praphat-Thanom era to discuss a solution to the problem.

They agreed that: "The time for General Prem to quit his political career has come because the longer he remains in the position the further rifts and confusion in the business, banking, economic, and military circles will be aggravated."

CSO: 4207/156

SPOKESMAN ON DISSOLVING HOUSE OF REPRESENTATIVES

BK230919 Bangkok Domestic Service in Thai 0530 GMT 23 May 84

[Text] Trairong Suwannakhiri, spokesman for the Prime Minister's Office, talked to reporters at Government House this morning about the question asked by some journalists yesterday concerning whether or not the government could confirm that it would not dissolve the House of Representatives and the cabinet, or amend the constitution. Trairong said the prime minister confirmed during the outbreak of the conflict over the interpretation of the constitution last week that he had never thought of dissolving the parliament.

However, the spokesman noted that the dissolution of the parliament is a government's legitimate right under the democratic system. During a political crisis, it is a measure that allows the people to decide when conflict arises between the government and the House or between the government and the opposition. The result of the subsequent general elections will prove which side is right.

Trairong Suwannakhiri said no democratic government can pledge that it will not dissolve its House of Representatives as part of its policy because the action is a practice permissible under the democratic system. Therefore, it is impossible to have the government promise that the House will not be dissolved because nobody knows what will happen in the future. In any event, it can be confirmed that during the past weeks, the prime minister has never thought of dissolving the House. The dissolution of the House should not be regarded as an act of a dictatorship.

The spokesman concluded by saying that the statement made by the prime minister that he had never thought of dissolving the House cannot be applied to the future because no one can be certain about the future.

CSO: 4207/156

GOLD, SILVER SEIZED ALONG PRK BORDER

Bangkok MATUPHUM in Thai 23 Feb 84 pp 1, 16

[Article: "Villagers Accuse Burapha Military Troops of Embezzling 2 Million Baht of Gold"]

[Excerpt] A mob of villagers accused Burapha Division army troops of embezzling 2 million bhat of gold. The "Fighting Tigers" responded that it is a plan by gold merchants to agitate (the market) with the hope of courting great power through bribery. They specified that bribes have been offered to the military to release merchandise and emphasized that they had the complete right to seize anything during martial law and curfew times.

A MATUPHUM newsman reported from Aranyaprathet that a group of 34 villagers from Khoksung came in to complain to a group of reporters in Aranyaprathet that they did not get justice from the 102nd Battalion of the Burapha Division whose troops seized their gold, silver and animal hides.

A spokesman for the villagers stated that last 22 January, the 102nd Battalion under commander Lt Gen Thaveep Suvannasing and its 1st Company commander, Lt Prasit Pradithphon, seized 6.501 kilograms of gold, 33.18 kilograms of silver and an amount of hides, with an estimated value of 2 million baht, at the military border checkpoint at Dong Yang bridge, Khok Precinct, Taphraya District.

The spokesman for the villagers stated furthermore, that the merchandise had been entrusted to Mr Pakorn (aka Thinakorn, surname unknown) to take to sell in Aranyaprathet and that they had set an appointment to collect the money for it on 23 January. But Mr Pakorn claimed that the 102nd Battalion seized the merchandise, so the villagers appointed a delegation with Mr Thongyen Samonthong and Mr Boonyang Pssonghong, along with delegating Mr Rangsan Butnean as their lawyer to file a petition charging illegal confiscation of their property, case number 142/1984, with the Kabinburi court.

Four defendants have been charged in the case: (1) Mr Boonleua Tong-Ngeuan, (2) Mr Pakorn or Thinakorn (surname unknown), (3) Lt Gen Thaveep Suvannasing, and (4) Second Lt Prasit Pradithphon.

Burapha Division officials pointed out concerning this case, that they will try to coax the population to act in accordance with the law, and as for the confiscated merchandise, they will quickly release it to the villagers.

Maj Gen Phichit Kunlawanit, deputy commander-in-chief of the 1st Military Region and in his capacity as commander of Burapha Division troops, explained the incident, saying that (the unit) was on its way to send off prime Minister Gen Prem Tinsulanond at Dong Muang Airport, when the soldiers went to arrest the merchants, who were smuggling gold at night by car. All the merchants escaped and the inspecting officials found 6 kilograms of gold with an estimated value of 1.8-2.0 million baht. When Lt Gen Thaveep Suvannasing, the commander of the 102nd Battalion, saw its high value, he went to put it in the safe of the Krung Thai Bank and personally reported this matter to Customs, in turn.

"We were able to arrest them because they were in an area under martial law and it was during curfew," Major General Pichit stated. He said that the manager of the bank had discussed with the military that merchants had contacted him in a manner indicating that they were going to bribe the soldiers, but that the soldiers had refused, because their division is a prestigious and decorated unit of the Royal Guards.

The commander-in-chief of the Burapha Division further stated that the merchants used corrupt methods that the military could not allow, that the military had to examine the facts, and that during periods of martial law they could believe that the military does not abuse anyone. "The merchants use the great power of wealth even though we have the legal right to confiscate it." Major General Phichit also expressed his opinion that if there is proof that the merchants were not involved in bribery or did not use dishonest methods, that the military will deal with the matter according to the law; if it is found that anyone was trying to destroy the economy, he will be prosecuted as appropriate to the case. As for the gold that was put in the safe, the military has now brought it for safekeeping to battalion headquarters because it understands that the merchants will try bribery [to get the gold back]. Given this apprehension the military feels they must keep the gold.

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CSO: 4207/131



# ARMY RESERVE CHIEF DISCUSSES MISSION, MOBILIZATION

Bangkok MATUPHUM in Thai 3 Jan 84 p 3

[Interview with Maj Gen Panya Khwanyu, chief of Army Reserve Personnel, place and date not specified]

[Text] [Question] What does army reserve personnel mean? What kinds of army reserves are there?

[Answer] We call them two things, reserve forces and military reserve personnel. Reserve force has a broader meaning than military reserve personnel. Reserve force means veterans who have been separated to become military reserves or so-called group one reserve forces. Another group is reserve forces who have been registered since age 18. We'll call them military reserve personnel. As for other kinds of reserve forces, these are paramilitary units in which the commander is a military officer but the subordinates are not soldiers, such as volunteer irregular units. In addition, there are also other paramilitary units, such as provincial volunteer companies of which the commander is a soldier, but the subordinates are Volunteer Territorial Defense Corps of the Ministry of Interior. We have paramilitary and other mass forces that have been already established. Right now there is a project to set up national security reserve forces and national defense volunteer corps, for example. These are military and paramilitary units consolidated with already established mass forces and not yet established mass forces, such as Village Scouts and the Women's Volunteer Territorial Defense Corps. We consider these forces to be the national reserve forces.

Now by military reserve personnel forces we mean specifically that they are military, but not soldiers on active duty. Those ranked sergeant and up are called active duty military personnel; enlisted men are called active duty divisional personnel. By military reserve personnel we mean military and divisional personnel who are active reserve. They can be called up according to legal authority, such as the Military Service Statute of 1954 and according to the code of military criminal law.

Military reserve personnel forces are divided into categories: commissioned officers consisting of reserve commissioned officers, retired commissioned officers, and unattached commissioned officers. Reserve commissioned



officers means those who are not on active duty; they might have resigned or reached retirement age. Retired commissioned officers are those older than the reserve age limit which depends on rank, such as captains who are in the reserves until they reach 45; if they are in the 46-55 age group, they are considered to be retired; if they are older than 55, they are considered completely retired. Therefore, the only officers that we take in the military reserve personnel forces are reserves and retired ones. As for those completely retired, we don't take them.

Besides that, there are unattached commissioned officers not under the Ministry of Defense, but in government service with other ministries, such as Col Somsai Hiranyakit, chief of TTT [expansion unknown] whom we can call upon if we need to.

There is only one type of noncommissioned officer, namely those who are on active duty with divisions. As for enlisted men, there are two types, reserve privates in the military as stipulated by the law, who are in for 2 years and then separated into the reserves, and another type called auxiliary reserve forces, who are also considered to be military reserve personnel. These auxiliary reserve troops are 18 or older. They are registered as auxiliary reserve troops. However, those who are drafted into service at 21 enter the military as active duty troops, but if they are not drafted, they must continue to be in the auxiliary reserve forces until they reach 29. Therefore, people in the auxiliary reserve forces who are 18-29 are still considered to be privates in the military reserve personnel forces.

[Question] Where are the military reserve personnel training areas? How many are there presently?

[Answer] The largest military reserve personnel training areas for commissioned and for noncommissioned officers are with the territorial Defense Department. As for military students in their 3rd, 4th or 5th year of study, they are nominated as noncommissioned or commissioned officers. As for their ranks, they have to finish their 3rd year of Territorial Defense School, when they will be given ranks according to their field of study.

[Question] Territorial defense military reserve personnel are considered to be the most numerous.

[Answer] As for the territorial defense, we produce both noncommissioned and commissioned military commanders. As for the enlisted soldiers, we get the military reserve personnel from active duty soldiers who have separated; these are the biggest group.

[Question] What kind of policy does the army have related to military reserve personnel?

[Answer] We have policies to suit the circumstances. In normal times, we must consolidate the military reserve personnel in all the provinces so that they form one force to reinforce the nation's security. During wartime, this military reserve personnel force will supplement the active duty military forces. Anyway, we have the duty to also prepare the auxiliary reserve personnel forces during normal periods by calling in personnel to test their preparedness.

[Question] Is the national reserve security project one part of the military reserve personnel force (program)?

[Answer] Yes, but it's just a reserve force; as for the project, it was ordered by the present prime minister. He thinks that soldiers who are conscripted for 2 years and trained to be part of a disciplined force are considered to be qualified; after their term is over they are separated to various areas. As a result, the prime minister has a policy to use these people as the leadership core in the development of Thailand in all areas. Consequently, he has adopted this project with political aims in mind. We also want these people to have a part in politics and in planting political ideals in the general public. In the economic aspect, (their role) is to promote career development and to raise the standard of living; in the social area, to promote religious activities, culture and traditions; in the military aspect, it's to make the military reserves and the auxiliary reserves into a consolidated force for maintaining safety in the villages and supporting intelligence in the regions.

In conclusion, the military reserve project for national security is a project for getting reserve forces ready during peace time. Our operating method has been to set it up and choose leaders. The project was started 2-3 years ago.

[Question] I would like you to explain about the army reserve personnel force.

[Answer] Regarding the army reserve, the army has set it up as divisional level combat units with a sufficient amount of manpower and efficiency in case of invasion. Previously, we had only active force divisions, such as divisions 1, 2 and 3, but we have set up an army reserve to supplement the army.

[Question] I would like to know the structure of the army reserve.

[Answer] The structure of the army reserve is made up of two parts, namely, one of troops on active duty, the other of military reserve personnel. Active duty soldiers are 30 percent of this army reserve, which has the same efficiency as the active duty military and is able to fight during wartime and maintain internal security. Concerning efficiency, more and more we are going to try to increase the training of the army reserve together with active duty soldiers.

[Question] How many are in the army reserve?

[Answer] We have set it up as only big enough to back up the army; it if is necessary, we are prepared to expand it. Right now, we have four divisions, two at Phanburi, one at Khorat and one at Padriew.

[Question] Will the army reserve project duplicate the national security reserve forces?

[Answer] It won't, because these divisions have a definite set-up and were prepared specifically for the military area. As for the national security reserve force, we want to consolidate with the military reserve forces to be the core for the development of the country.

[Question] Right now, is the army reserve up to full strength?

[Answer] We already have a plan for this; in March, we called the men up for training again.

[Question] The 70 percent not on active duty--how are they going to be utilized in peace times?

[Answer] They will earn their living normally (as civilians) and will be called in for training every 3 years. After training is over, they will be contacted regularly by their original assigned units, such as the Phanburi army division which will follow up its reserves in its region. Therefore, we will be able to mobilize army reserves immediately in times of war, within 72 hours. These divisions can mobilized for combat. The activities of the army reserve (divisions) will be ongoing like the activities of active duty divisions.

[Question] There won't be any problems adding to the active force because we already have the army reserve.

[Answer] An active duty force is a necessary thing, but as to how large a force we can have we must look at what is suitable for the economic conditions in the country. If we add to the active duty force too much, in addition to exceeding our requirements, the expense is high. Therefore, every nation is now turning toward increasing its reserve forces, such as the United States and Australia.

[Question] If we add more army reserves regularly, but keep the active duty force stable, will this make our technology or military science inferior?

[Answer] There is no problem at all because the active duty force is responsible for this matter, when it gets anything new, it is forwarded on to the army reserve for use in training.

[Question] In your opinion as chief of the department, between troops and technology, which one do you think is more necessary in today's circumstances?

[Answer] They actually overlap and are equally important. Technology must develop continuously, but at the same time, manpower must develop too, because men are the ones who use such tools. We can't say that one is more important than the other.

[Question] I'd like to ask your opinion about which would be decisive in the event of war.

[Answer] Technology and manpower have to go together. Even if we have inferior war materiel, with spirit and willpower we might win.

[Question] Does the Department of Military Reserve Personnel coordinates with the Directorate of Joint Operations?

[Answer] We do coordinate, but the Directorate of Joint Operations is mostly responsible for the active duty forces; as for us, we are responsible for the army reserve. We do not make joint plans regarding training matters.

[Question] How many forces do we have after totalling up active duty forces and army reserve forces?

[Answer] Approximately 16 divisions.

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## HANOI'S POLICY TOWARD CATHOLIC CHURCH

Bangkok BANGKOK POST in English 16 May 84 p 4

[Article by Alan Dawson in the "Eye on Indochina" column]

[Text]

POPE John Paul II, you'll notice, did not show up in Hanoi on either of his Asian trips. While he was on his way to Thailand, however, he fired off a message to Vietnam's Catholic community urging them to be faithful to their country as well as their Church.

When Cardinal Trinh Nhu Khue died in 1978, the Pope moved quickly in selecting Archbishop Trinh Van Can of Hanoi as a new cardinal. But he kept the decision secret for some time in case Cardinal Can should suffer repression at the hands of the Vietnam Communist Party.

Did he have good reason for this? How does Hanoi view the Roman Catholic Church?

Well, on the one hand it views the Church like this:

"Catholicism was introduced into Vietnam more than 300 years ago by Western missionaries, who indeed opened the way to French gunboats and expeditionary troops. For 300 years it was an alien body which opposed the interests of the nation."

That quote from a recent issue of *Vietnam Courier* magazine, which always, as they say, reflects the view of the government.

On the other hand, Hanoi views the Roman Catholic Church this way:

"The entire Vietnamese clergy continues to regard the Vatican as the leading centre of Catholicism in the world. The Vietnamese state has never opposed and has always recognised the correct ties between the Vietnamese Church and the Vati-

can."

That quote, too, is from *Vietnam Courier* magazine, the same issue in fact.

Does it all seem a little schizophrenic? You bet. A new group sums up the confusion in a typically confusing way. It was formed last November to replace two previous groups, known as the National Liaison Committee of Patriotic and Peace-Loving Catholics and the Committee for Solidarity of Patriotic Vietnamese Catholics.

And if you think that doesn't tell you much, how about the name of the new group: the Committee for Solidarity of Patriotic Vietnamese Catholics.

To top it all off, the chairman of all three groups was a man known as Reverend Nguyen The Vinh, an ordained priest but without any rank within the Church. And he died a few days after formation of the Committee for Solidarity of Patriotic Vietnamese Catholics last November. His No. 2, Bishop Dominic Pham Quang Phuoc, died four months later.

The Committee for Solidarity of Patriotic Vietnamese Catholics runs the Church inside Vietnam. Well, in a way it does. In another way, the cardinal, archbishops and bishops run it. And in a very clear way, the Central Committee of the Communist Party runs it.

Certainly the Redemptorist Reverend Father Tran Huu Thanh knows that the Central Committee runs a

good part of it.

Fr Thanh did more than any other single man in South Vietnam to bring down President Nguyen Van Thieu. He did this by publishing and publicising an "indictment" against Thieu's alleged corruption in a wide variety of fields shortly after the signing of the Paris peace agreements in 1973.

Tens of thousands of Catholics were on the streets battling Thieu's riot police day after day, calling for his head.

When the smoke cleared after the April 30 communist victory at Saigon, Fr Thanh was one of the first persons jailed, dismissed as a CIA tool by now-Minister Vo Dong Giang. As of 1978, he was in a northern re-education camp just outside Hanoi. A press conference there was his last appearance in public.

The coadjutor bishop of Saigon, Nguyen Van Thuong, well-known and outspoken for his anti-communist views, was removed to his home at Nha Trang, some 250 kilometres northeast of Ho Chi Minh City, and has remained there since under house arrest, with some short periods spent in charm school.

But his boss, Archbishop Paul Nguyen Van Binh, survived. Arch-

bishop Binh had got along perfectly with the Thieu government and was generally thought of as anti-communist. Either he disguised his true feelings well or he is one hell of a good chameleon.

In 1976, when authorities raided a suburban Saigon church, shot it up a bit and arrested the local priest on charges of subversion, Archbishop Binh promised to shuffle both the structure and personnel of the archdiocese, and said publicly:

"The Church cannot in any way support, encourage or approve those organisations or any actions which oppose the present administration in the name of religion."

In a document never released publicly, Archbishop Binh cabled the Hanoi leadership on August 21, 1978:

"We will positively mobilise all the (Ho Chi Minh) City Catholics to implement all the lines and policies of the (Communist) Party and state, enthusiastically emulate in productive labour, contribute to fulfilling the 1978 state plan, eagerly fulfil military obligations, positively insure security and order ... and implement all of your instructions to pursue the national interest."

**FOOTNOTE:** Vietnam today has three archdioceses — in Hanoi, Hue and Ho Chi Minh City — and 25 dioceses. It has a cardinal, 43 archbishops and bishops, an estimated 2,000 priests and 12,000 monks and nuns. All theoretically have allegiance to Hanoi's Government and to the Vatican.

It has no Catholic schools. In some districts and villages, it reportedly is necessary to get permission to attend church services on Sunday.

The Church is allowed to raise its own money through some traditional means (marriage, confirmations, first communions, etc) and from the Vatican.

It is not allowed to raise money through other traditional means. It cannot, for example, own land or charge rents.

There are pro-communist priests, and many have quasi-government jobs which carry special perks. None is known to be a party member.

In general, the Church and Catholics in general in Vietnam seems to have a better time of it than, say, in China.

On the other hand, the Pope isn't likely to make a visit there for quite some time.



## BRIEFS

ATHIT TO VISIT U.S.--Social circles in Bangkok are talking about the upcoming wedding of another well-known couple--First Lieutenant Thitiwat Kamlang-ek, youngest son of Supreme Commander and Army Commander in Chief General Athit Kamlang-ek, to Miss Rattana Burapharat, the 22-year-old daughter of Mr Prathip and Mrs Phimphon Burapharat. Mr Prathip is a younger brother of Air Vice Marshal Prakop Burapharat, director of Phumiphon Hospital. The ceremony will be held at the Thai Embassy in Washington D.C. on 25 June. According to the report, General Athit will leave for the United States about 21 or 22 June to be present at the wedding. [Excerpt] [BK010724 Bangkok THAI RAT in Thai 1 Jun 84 p 12]

LAO BORDER SITUATION--According to Colonel Phopsuk Sutharanan, chief of staff of the Army Secretariat, during the period from 26 April-22 May, Lao and Vietnamese soldiers in Laos in Oudomsai Province were mobilized to suppress Lao resistance elements near the Thai-Lao border and to patrol the border. Colonel Phopsuk said smuggling and flight of Lao people to Thailand continued during the period under review. Lao soldiers fired on Thailand's Mekong River patrol boat on one occasion in the central district of Nakhon Phanom, causing no casualties. The crew returned fire for 3 minutes. Lao soldiers fired at Thai authorities on one occasion in Ban Khok subdistrict, Uttaradit Province and at Thai positions on two occasions at the same subdistrict. There were no casualties on the Thai authorities. Lao soldiers also fired into Thai territory at Bung Kan, Nong Khai Province and at Tha Li District, Loei Province, causing no casualties. [Text] [BK281442 Bangkok Voice of Free Asia in Thai 1030 GMT 28 May 84]

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